

Norm Cates' **CLUB INSIDER**TM

The Pulse of the Health and Fitness Club Industry



Glenda Pigue

A Gem in Benton!

JANUARY 2011

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Norm Cates' CLUB INSIDER™

The Pulse of the Health and Fitness Club Industry

Glenda Pigue

A Gem in Benton!

By: Justin Cates

Happy New Year! Are you ready for 2011? This month, to begin the new year, we are very excited to bring you a truly amazing story. Hopefully, it will inspire you to have the best year ever in 2011!

Glenda Pigue was born in Okean, Arkansas, a town with a population of 160. At the age of sixteen, she married her childhood sweetheart, and they moved to Rockford, Illinois to find work. Fifteen years later, they moved back to Arkansas and settled in Benton, a small city in central Arkansas with a population of 17,000. It is

there that they would stay, and eventually, make their mark.

In 1975, Glenda, then a stay-at-home mom, was ready to get back in shape. After seeing a newspaper ad for Magic Mirror, a local woman's-only facility, she joined right away, and it changed her life. Later, rumors began to circulate that Magic Mirror would be closing in Benton to reopen in a larger city. In Glenda's words she "just couldn't let that happen."

She purchased the Magic Mirror franchise in 1976. At the time, the facility was a rented, **1,200 square-foot** space, and she had **40** active members. Glenda

had little formal education and had no experience in the fitness industry other than being a member of the franchise she purchased, but she had an unwavering passion for sharing the transformation physical fitness made to her life. It was all she needed.

Now, 35 years later, Glenda's Magic Mirror franchise is known as Fitness Unlimited and has become a **60,000 square-foot**, multipurpose facility with **5,000** members. As for the city of Benton, it has grown to a population just under 30,000, and Glenda's competition has increased from none to twelve facilities

within a 6-mile radius, including a \$26 million tax-funded Government-owned fitness center that opened in 2010.

Instead of battering down the hatches and preparing to keep the business as is because it is safe, as this is going to press, Fitness Unlimited is preparing to open a 6,000 square-foot sports center for athletes. It will include not just weight training and conditioning, but agility, flexibility and speed as well. Coaches in the area are very excited, and new business will be flowing into Fitness Unlimited in the face of increased competition.

(See Glenda Pigue Page 12)

Dale Dibble, Club Business Legend, and Great Friend, Passes Away

By: Norm Cates

On Thanksgiving weekend eight years ago, Dale Dibble was told by doctors at the Cleveland Clinic that he had just 2 to 3 months to live. He had already suffered serious heart problems for years, and things looked bleak for his future. Well, Dale didn't think much of that diagnosis and returned to Naples, Florida where he lived with his loving wife Olive Mae at Bentley Village, a Hyatt Classic Residence. Then, he stepped up his exercise regimen. The man who used to fly weather planes into hurricanes resolved to fight on because he was just not ready to go, and he very

(See Dale Dibble Page 6)



Dale Dibble

Tim Richards, Club Veteran, Passes Away Suddenly

By: Norm Cates

Philanthropist and club business pioneer, Founder of Orchard Hills Athletic Club and IHRSA Founding Member, Tim Richards, died suddenly on January 4, 2011.

Tim Richards was born on August 14, 1941 and passed away on January 4, 2011. He is survived by his wife Sheila and four children; Jen, Andrew, Ken and Camilla.

He was an Eagle Scout as a young man, and he spent a lifetime helping people.

Tim became owner of The Orchard Hills Athletic Club (OHAC) in Lancaster, Massachusetts in 1983. His OHAC has served the families of

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Tim Richards

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- ABC Financial Services Joins PCI Security Standards Council
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Norm's Notes

• **Hello Everybody!** This is your **CLUB INSIDER Publisher** and **Tribal Leader** Since 1993 checking in!

• **Is America** a great country or what! Mmmm... Mmmm... Mmmm!

• I'm sorry I must start off our January, 2011 Norm's Notes with sad news, but I must. I'm sorry to report that our industry has lost two truly great men since our last edition went to press. Club industry **Legend** and **Great Friend**, and the man I call "**Mr. Enthusiasm**," **DALE DIBBLE**, passed away on December 13, 2010. Dale had suffered from heart problems for twenty years, and eight years ago, doctors at the Cleveland Clinic told him he only had 2-3 months to live. Dale decided he wasn't going down without a fight. He buckled down on his cardio workouts and lived on for eight more years! **IHRSA** named its **Distinguished Service Award** after Dale in 2001. Dale was 90 when he passed away, and he was survived by his loving wife, **OLIVE MAE**, and son, **JOHN**. The other great man in our industry that we just lost was **TIM RICHARDS**, who passed away on January 4, 2011. Tim had been the

Owner of the large **Orchard Hills Athletic Club** in **Lancaster, Massachusetts** for 27 years. He had also found time to be very active in helping others in his community. Tim was survived by his wife, **SHEILA**, and four children; **JEN, ANDREW, KEN** and **CAMILLA**. May Dale and Tim Rest In Peace (See **Page #3**).

• **NETWORK! NETWORK! NETWORK!**

IHRSA30 - March 16-19th
San Francisco, California
www.ihrsa.org/convention

• Don't miss the **BASH for AUGIE'S QUEST!** Go to: www.augiesquest.org/bash.

• They say *copycats of ideas from others* are providing those they copy with the *highest form of flattery*. **MIKE GRONDAHL, Planet Fitness Co-founder**, and his **Planet Fitness Team** are seeing copycats of their model popping up all over, and he doesn't think it's flattering at all! The problem that Mike has is many of the copycats in play take up his time to come and meet with him under the *auspices* of buying into the Planet Fitness franchise

organization. They then end up using the privileged information Mike might have shared with them to launch competing copycat brands with virtually identical components of the Planet Fitness model.

During my twenty years as a club owner, I have visited a countless number of clubs seeking new ideas and creations of many great operators, and yes, I've copied some of the things they've done. In all cases, though, I made the owners aware of my desire to use their idea(s) because they were friends of mine whom I met through **IHRSA**. I never met with someone with the idea of copycatting his ideas to compete against him. I believe that people in our industry should share good ideas in a cooperative manner. In fact, the **#1 Reason** I cite for attending the **IHRSA Convention** is to **NETWORK** with others, learn from them and apply what you've learned to your own operation. Invariably, networking ends up in friendships that result in subsequent visits to the clubs of the great folks met at the Convention. Good examples of some people that many of us have met, visited their club(s) and learned from because of **IHRSA** include the late **DALE DIBBLE, RED LERILLE, JOE CIRULLI** and "**Brother**" **CURT BEUSMAN**, just to name a few.

Now, we have a major league copycat movement happening in the industry, and it's in the low-price club segment where **Planet Fitness** and **Fitness 19** are way ahead of everybody else. Mike Grondahl is projecting to reach 400 clubs during 2011. So, although he still resents some of the people he has met with to discuss their possible involvement in Planet Fitness, just to have them knock off his Planet Fitness model, he is so far ahead of the market in the United States I'm not



Norm Cates

sure he has anything to really worry about. In fact, Mike assisted me in compiling a list of the low-price model clubs that are now in play and they include:

Blink Fitness in *New York*
Cardio Express in *Connecticut*
Crunch Fitness in *4 states*
Fitness 19 in *26 states*
Fitness Evolution in *Maryland*
Fitness for 10 in *3 states and Canada*
Fit4Less in *Canada*
Fitness4You in *Georgia*
RetroFitness in *10 States*
Spunk Fitness in *Maryland and New York*
Super Fitness in *Pennsylvania*
YouFit in *Florida*
Zip Fitness in *Illinois*.

I can also tell you this. Any club owner out there, whether it be a small personal training studio or a mid-size and mid-priced club or a multi-sports club is going to face this low-price model phenomena (See *Norm's Notes Page 8*)

About Club Insider

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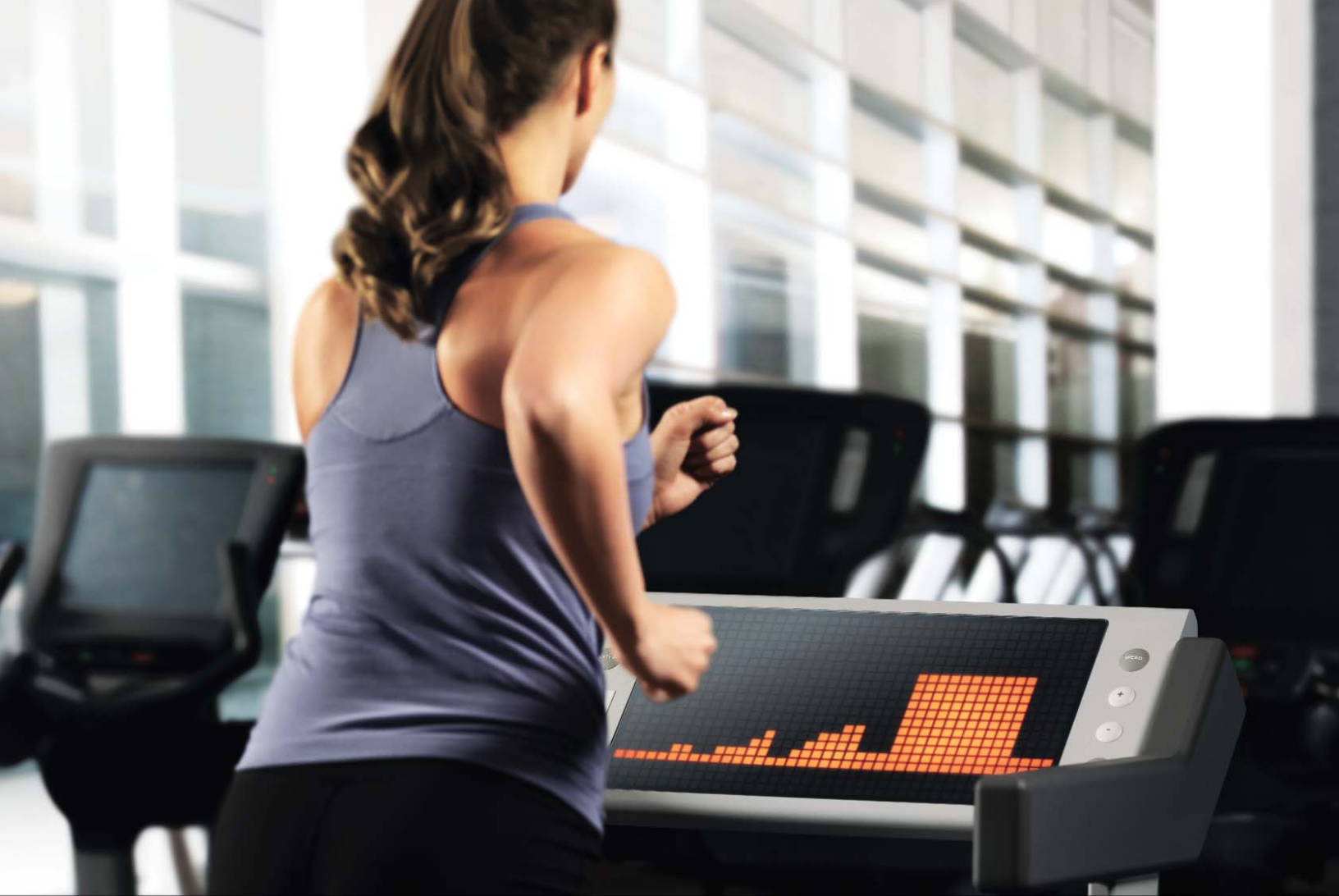
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THE Place to Be!

By: Norm Cates

Think of your club as a work of art and you're the artist engrossed in the process of perfecting a painting. Your canvas already has a very nice picture shaping up on it from all of the work you've already done over the years, but you can **perfect it** by working hard to make your club **THE Place to Be!**

John Hofmeister, President of Shell Oil, says American consumers will pay \$5 per gallon for gasoline by 2012. He says there will be more demand for gas because the economy is recovering. He says there is already more demand for gas in China and India. This increased demand will increase prices. Increased prices mean less leisure travel by Americans. Less leisure travel means a greater opportunity for you to make your club **THE Place to Be.**

Here are five things you can do to make your club **THE Place to Be:**

1. Reach out to service organizations in your community and offer them the opportunity to use your facility as a gathering place for their organization's events. A good example is the Chamber of Commerce "After Hours" program where local businesses provide the Chamber with

a monthly gathering place and business owner/operators from the area attend and network. The Chamber moves these opportunities around, but hosting your local Chamber of Commerce "After Hours" event at least once a year is a winning idea.

2. Produce FUN events! For example, in one of my clubs, I hosted practice for the Atlanta Falcons Cheerleaders two evenings a week. To say that doing that for several years boosted my club business would be a big understatement. Later, that relationship allowed me to produce what we called "The Battle of the Atlanta Cheerleaders," and that was a contest between the Atlanta Falcons Cheerleaders and the Atlanta Hawks Cheerleaders held in my 47,000 square-foot Downtown Athletic Club (DAC). Events included in the competition were basketball, racquetball, swimming and an indoor jogging race with a big party after the competition. The attendance was great, and the event was talked about for years.

3. Produce special community events, such as **The Atlanta Police Appreciation Ball** I produced back in 1984 to honor The Atlanta Police Department. Over 800 police officers and their wives, not to mention Mayor Andrew Young,

who was a club member, the Atlanta City Council and a number of local luminaries attended. The event produced a great deal of positive PR and new memberships over the years that followed.

4. Producing Member Appreciation Parties on the last Thursday of every month was always a great investment for me as a club owner because the parties never failed to draw a nice crowd of members and lots of new member prospects who were hosted as free guests by our members. The idea is simple. Put out invitations at the front desk a couple of weeks in advance, place a couple of signs around the club and provide some nice snacks, free beer and wine and a door prize, and you've got a Member Appreciation Party.

5. Buy Sandy Coffman's book, Successful Programs for Fitness and Health Clubs: 101 Profitable Ideas, and hire Sandy Coffman, the **Dean of Club Programming,** to come into your club and work with you to create a yearlong schedule of programs and events complete with "How to" procedures on every aspect of every program. Simply put, you should not enter a New Year without a complete and well thought through Programming/

Events Calendar, complete with a month-to-month list of programs and events.

In general, **MAKE IT FUN!** to work in your club and to be a member of your club. The more FUN that is associated with your club, the greater your employee morale will be, and in turn, the happier your members will be. Your goal should be to create an **"Oasis" of FUN** for your staff and your community. Do that, and people will flock to your doors.

Your goal should be to compete with every health club, every bar/nightclub, every movie theater and every shopping mall in your city to make your club **THE Place To Be!**

Make it a FUN and great 2011!

(Norm Cates, Jr. is a 36-year veteran of the health, racquet and sportsclub industry. Cates is the Founder and Publisher of CLUB INSIDER, now in its 18th year of publication. Cates was IHRSA's 1st President, and a Co-founder of the Association with Rick Caro and five others, in 1981. In 2001, IHRSA honored Cates with its DALE DIBBLE Distinguished Service Award, one of its highest honors. Cates may be reached by phone at (770) 850 - 8506 or email at Norm@clubinsideronline.com)

Make It Fun!

...Dale Dibble

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aggressively set about showing the doctors that they were wrong with their diagnosis. He proved them wrong and lived for eight more years!

Dale Dibble passed away peacefully on December 13, 2010. May the great man I call "Mr. Enthusiasm" Rest In Peace.

Dale Dibble became a legend in the club industry when he very successfully converted his indoortennisclub in Haverhill, Massachusetts into a highly successful 175,000 square-foot multipurpose sports club. Starting in 1972, with just 200 members, he and his partners, Ed and

Zoe Veasey, grew the club to over 8,500 members by the time he retired in 1989.

Dale didn't become a legend just because he was a highly innovative and talented club owner/operator, though. He became a legend because of his amazing willingness to share his knowledge and expertise unselfishly with anyone. Dale's sharing of knowledge was the hallmark of what he stood for. On my first visit to Cedardale, we stopped in the accounting office during the tour and he requested that a staff member, "Bring us up to date." She pushed a few buttons, and in less than a minute, handed an up-to-date Cedardale financial statement to Dale. He then handed it to me and said, "Norm, here's

our financial statement updated to this moment. Hopefully it will be interesting and helpful to you."

Dale Dibble was one of those who were invited to be at the meeting in Chicago where Peter Donahue, Jennifer Michelle, Todd Pulis and I met in January, 1981 to discuss the idea of pulling the member club owners of the National Tennis Association (NTA) together with the club owners of the National Court Club Association (NCCA) to form what ultimately became The International Racquet Sports Association, IRSA. In 1994, IRSA added the word Health to the name making it The International Health Racquet and Sportsclub Association, IHRSA. The

Chicago meeting lasted over nine hours, and Dale's enthusiasm for the ideas and the reasons for the new association were huge. We all agreed to give Rick Caro, our friend and fellow Board Member of both NTA and NCCA, and the man who had orchestrated the meeting, a resounding and unanimous YES that we should pursue the idea. Pursue it we did. We founded IRSA at Rick Caro's Management Vision Office in New York City three weeks later in February, 1981.

CLUB INSIDER produced a cover story about Dale Dibble in November, 2000 with the title, "Dale Dibble... Mr. Enthusiasm" in honor of the way he always *(See Dale Dibble Page 7)*

...Dale Dibble

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was... very enthusiastic about life and our industry and very supportive and helpful for all of us who would turn to him to learn what he knew.

IHRSA named its highest honor, the Distinguished Service Award, after Dale, effective with the 2001 Award, and I was humbled and very honored to be the first recipient of that award, the Dale S. Dibble Distinguished Service Award. Before I received the honor, other recipients included: John McCarthy, the late Tim Richards, Todd Pulis, Curt Beusman, Alan Schwartz, Rick Caro, Robert Dedman, Jr., Jim Gerber, Sr., Jill Stevens Kinney and Cecil Spearman. Recipients since the award was named after Dale included: myself, the late Rudy Smith, Frank Eisenzimmer, Ray Wilson, The East Bank Club, the late Julie Main, Greg Lappin, Geoff Dyer, Herb Lipsman and Mike Motta.

Rick Caro, long-time friend of Dale Dibble, commented:

"Dale Dibble, a legend in the club industry, died Monday, December 13th. His health had been severely declining over the last month.

Dale really was a master innovator and has a huge legacy that he left behind for all of the club industry to follow. At his Cedardale Club, he really

led us into computerization and club management software. He really created the multisport club by conversion from a plain-vanilla indoor tennis building. He taught us and our club members the value of regular change. He created a seniors' center with a club within a club (using computer classes, fitness equipment classes and regular social activities).

He had an infectious attitude, a thirst for learning, a strength in numbers, a huge belief in the team and sharing information and a commitment to the member experience. He regularly reinvested well in excess of industry norms to provide more. He created an outdoor facility experience and taught us the concept of corporate outings and outdoor facilities for children and the family. He believed in a major emphasis on incentives for key staff for successful performance. The culture he created was envied by all.

And, he taught so many in the industry willingly with no fear of repercussions or even educating future competition. IHRSA remembers him annually by naming its Distinguished Service Award after him.

I was in awe of him. He was so generous in every way. His down home accent and expressions were so ingratiating. He loved life and literally defied the best hospitals and doctors for almost 20 years by exercising profusely

of Distinction Award by the Association of Fundraising Professionals of North Central MA; the first recipient of the President's Award from Fitchburg State College; the Service Above Self Award from Mount Wachusett Community College; and the 2007 Distinguished Citizen Award of the Nashoba Valley Council of the Boy Scouts of America. Tim was also selected to be the recipient of the 2010 Ginny's Guardian Angel Award. The award was presented at the Ginny's Helping Hand Annual Mardi Gras Gala on March 6, 2010. Tim was honored for his consistent effort and commitment to Ginny's Helping Hand, founded by Ginny White, in 1979, as a valuable resource to the homeless and the working poor of North Worcester County.

Cindy Curley, Tim's General Manager and a long-time club employee told CLUB INSIDER, "I worked for Tim for 26 years. He was a deeply compassionate man who cared greatly for all of us and our members." Curley commented to the local newspaper, the Sentinel and Enterprise, "Tim was a tremendous guy to work for, and he felt passionately about getting members healthy, regardless of their age or physical condition when they joined the gym. He wanted it to be a place for families, and he wanted people to feel comfortable coming in here. We're shaken and we're saddened. It's a loss for the staff, for the community and for all the members. He was the first person who offered a hand to anyone in need, whether it was a member or an employee."

when his arteries and heart were malfunctioning. He loved his wife (Olive Mae), loved his friends --and there were many-- and enjoyed all he encountered.

He made his mark in recent years in Bentley Village with his personality and fervor for getting all of the retirees to exercise. He was so successful that Hyatt had to change its business model because so few residents were "moving down" as projected to the nursing urgent care facilities on the property. We even had a Faust Roundtable meeting there.

He will be long remembered."

John McCarthy, highly esteemed and retired IHRSA Executive Director, commented about Dale:

"Once in a generation, there comes along a Joe Montana or Michael Jordan, players who skills and instincts put them in a class by themselves. In our industry, in the 1970s and 80s, that person was Dale Dibble.

During that entire period, traveling to his club, Cedardale, and talking to its impresario (Dale) was like making a pilgrimage to Mecca. During that entire period, he was the undisputed leader of the health club industry. It was he, and one or two others, that developed the prototype and proved the viability of the indoor/outdoor, four-season, multipurpose athletic club.

Though I never met a more modest

man, he was so confident of his own instincts and of his ability to execute rapidly that he never hesitated to share with anyone who came his way exactly what he was doing and what he planned to do next. With Dale Dibble at the helm, there was never a dull year or a dull day at Cedardale.

But, he had one trait that transcended everything else, and that trait was something that Rudyard Kipling described when he wrote, "Though he walked with kings, he never lost the common touch." That line describes Dale perfectly. For all of us who learned so much from him, visiting with Dale was always pure pleasure."

May "Mr. Enthusiasm", Dale Dibble, Rest In Peace.

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...Tim Richards

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Lancaster and Fitchburg, Massachusetts and the surrounding areas as a destination facility offering not just fitness, but tennis, swimming, indoor jogging and much more. It received an A+ rating by the Better Business Bureau, which includes length of time a business has been operating with a record of no complaints filed with BBB as one major criterion for consideration.

In 2010, OHAC received the Wachusett Chamber of Commerce 2010 Business of the Year Award, an award for Chamber members that have demonstrated leadership, innovation and a strong image within the business community. Over 300 businesses were considered. Tim commented upon receipt of the honor, "The award honors the hard work of our many long-term employees and also our many business partners, which include Health Alliance Hospital System leasing space for Physical Therapy. This award reinforces, we believe, the importance of health and fitness in our communities. We are blessed to be in the business of helping children and adults of all ages... and shapes... to live healthier lives."

Tim was honored in 1989 by IHRSA (when it was still IRSA) with its Distinguished Service Award.

A Lunenburg, Massachusetts resident, Tim was the founder of the Boys & Girls Club of North Central Massachusetts. He is a past recipient of the Philanthropist

Rick Caro, a long-time friend of Tim Richards commented on his life:

"I knew Tim from the days when we served on the Board of the National Tennis Association (NTA) and then in the early years of IRSA (now IHRSA). He had years of experience as a club GM before he became an entrepreneur. He took over a tennis club and made it into a most successful multi-sport club. He truly got involved deeply in his community and made a difference. He became a marathoner later in life, always trying to be an example to the 50+ generation of what one could do even if one had never done it before. He was very analytical and truly championed IHRSA's commitment to research and the industry data survey. He will be missed."

John McCarthy, 25-year and now still highly esteemed retired Executive Director of IHRSA added:

"Tim was one of the very first in the industry to show all of us how successful a club could be in secondary markets. His Orchard Hill Athletic Club became a Mecca and magnet for all the small towns surrounding him. His mentor, Dale Dibble, who also passed away recently, was immensely proud of what Tim had achieved. And, for all of us who knew him, Tim was a good and trusted friend. May he rest in peace."

Alan Schwartz, Chairman of

Midtown Tennis Clubs in Chicago, with whom Tim got his club industry career started, commented:

"Tim was a pioneer in both tennis and fitness going back to the late '60s. He contributed unselfishly to the industry and most generously to his community. He will be missed. Little known fact: Tim was a sparring partner with Jimmy Connors as Jimmy and Tim grew up in St. Louis together."

Tim Richards was a bright, articulate and kind man who devoted his life to his club and its employees and members. Tim will be remembered as one who established his club as an institution in the community, and along the way, he was also able to find the time to help a host of others from all walks of life. Helping others will be Tim Richard's legacy in life. May he rest in peace.

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...Norm's Notes

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sooner or later. So, the more *differentiated*, *unique* and *professional* your club is, the better you'll be prepared to compete when a low-price model and brand hits your market. Learning to *differentiate* and make your club *unique* and more *professional* are three more reasons to be at **IHRSA30 in San Francisco in March!**

• **Congratulations to GORDON JOHNSON**, as he's been named the **2010 Visionary of the Year** by **Gold's Gym International** (See Page #24).

• Talk about competing, check out this 2010 summary sent to me by our friend and April 2009 cover story subject, **PHIL WENDEL!** Phil's **Atlantic Coast Athletic Clubs (ACAC)** chain is just kicking butt in Virginia and Pennsylvania, and Phil has a fifth location coming to Richmond soon. Here is **Phil's 2010 Update:**

Our three clubs (Charlottesville and Richmond, VA and West Chester, PA) ended 2009 with over 15,000 membership accounts (all annual paying family, couple and individual). The same three clubs ended 2010 with almost 17,000 membership accounts. The overall gain in

membership accounts from 2009 to 2010 was a **9.5% improvement**. Our attrition rate system wide was **24.4%**. In 2009, the clubs collectively had a 27.6% attrition rate. We attribute most of our success (growth in tough times) to our **Physician Referred Exercise Program (PREP)**. Our three clubs received 3,300 physician referrals in 2010 compared to 2,700 in 2009. Our year-over-year percentage gain was 22.2%. Of the physician referrals in 2010, 40% will (or have) convert to full annual paying memberships.

So, it's plain to see that **PHIL WENDEL's** clubs are not just competing in this economy, they are excelling! I think it's important now to remember that Phil's **ACAC** and **LLOYD** and **ROBERTA GAINSBORO's Dedham Health and Fitness Complex**, our January 2010 cover story subject, are two club companies that became medically-certified fitness centers through the certification process of the **Medical Fitness Association (MFA)**. I'm happy to know that MFA is now being led by two good friends in this industry that I've known for 30 years, and they are **MIKE DUPUIS**, the new **President** of the **MFA Board of Directors** and **KENNY GERMANO**, the new **Executive Director** of **MFA**. Additionally, I want to point out the article by **Dr. CARY WING** on **Page #26**. Cary is the former **Executive Director** of **MFA**. Check out **MFA** at **www.medicalfitness.org**, and Cary's contact information is at the end of her article.

• **Folks**, every year at this time, I try to remind you to do a couple of things:

1. Check your club insurance policy, and be sure it is up-to-date and up to snuff! You can do that by reaching out to **JENNIFER URMSTON LOWE** of **Sport and Fitness Insurance**. You just never know when something you had never thought could happen in your club happens, such as the death of a member or a major fire (See the **Sports and Fitness Insurance Ad** on **Page #20**).

2. The second thing I try to do each year is talk about back office operations. You know... the life blood of your club business, where the Moola goes in, and YES, where the Moola goes out. Each time I have this little chat, I swear that I would be at least \$1 million richer if, years ago, I had installed a professional back office operation instead of trying to hire a bookkeeper to collect money, manage membership records, etc. Are you someone that is *STILL* doing this hugely important task using your own systems and back office operations people? If you are, I urge you to position yourself to be at least \$1 million richer by getting this very important area right using the services of companies who are the best. Check out the ads for **Fiserv (Page #5)**, **Affiliated Acceptance Corporation (Page #9)** and **ABC Financial (Page #11)**.

JIM BOTTIN, Founder of

ABC Financial, looks mighty good in his ad! Talk about a great American success story. Well folks, **Jim Bottin** is one. **Jim** is a former fitness center owner who created his own financial services company thirty years ago. He left the health club business to focus on providing clubs with the best back office services possible! Keep up the great work, **Jim!** Also, returning as an advertiser next month is **iGo Figure**, and I hope you will also contact them as you research back office services. I urge all of you to contact all four of our advertisers to find out which company will serve your club's back office needs so that you will someday be \$1 million richer!

• **KYLE ZAGRODZKY** is the bright young man who, thirteen years ago, founded **iGo Figure**, a club business management and software company. He serves as the company's **President** now. **Kyle** is offering a **15-minute Club Improvement Series** of videos that could help your club. For example, did you know that **Microsoft**, with its new gaming initiatives, is targeting 15 to 20% of the active, dues-paying health club members out there? That's right. **Microsoft** is going after dues-paying members by creating exercise and fitness programs that will encourage them to exercise at home or work in front of their computers and drop their membership to your club. To see **Kyle's 15-Minute Club Improvement Series**, go to **www.youtube.com/iGoFigureDOTcom**. Stay tuned for articles and advertisements from **iGo Figure** in upcoming months!

• It was great to see the **January 5th** article in **Atlanta Journal Constitution** by **BILL HENDRICK** about **DON** and **CATHY WHITNEY's** efforts to build a special home to give homeless, neglected and orphaned children a place to live, get educated and call home. **Don Whitney** is the **Founder of Corporate Sports Unlimited**, a highly successful corporate fitness center management company with clients all over Atlanta and employs 300. And, their special event business produces over 300 corporate events all across the country each year. **Don** and **Cathy** have been working on this very special home project for years, and someday, they will get it done. They also started the annual **U.S. 10K Classic Labor Day Road Race** in 1994 to draw attention to the needs of homeless, orphaned or disadvantaged children. It now draws over 15,000 runners, and they have now raised over \$5 million for thirty local nonprofits focusing on improving children's lives. Devout Christians, the **Whitneys** give a great deal of their time and money to community service initiatives and should be recognized for their community involvement. They are getting closer and closer each year to reaching their goal, a permanent, sustainable community and boarding school for 800 kids on a 710-acre tract of land in Northwest of Atlanta. **God bless** (See *Norm's Notes* Page 10)

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...Norm's Notes

continued from page 8

you both for your efforts **Don and Cathy!**

• **Crunch Fitness** has announced that, in February, it will open its newest franchise location in **Norwalk, Connecticut**. This will be the 8th franchise club for Crunch. The franchise owners are **EUGENE RUSSO** and **DAVID** and **KRISTEN ODDI**. Kristen Oddi commented, "With the diverse population of families, young professionals and students, Norwalk is the perfect place to open our first Crunch franchise. Crunch appeals to fitness-minded individuals looking to improve their health in a No Judgments atmosphere with exceptional equipment and professional staff, all at a wallet friendly low cost membership rate." **BEN MIDDLEY, President of Crunch Fitness**, commented, "We are very excited to have such passionate franchise owners in Norwalk. They are fantastic people with a beautiful facility, and they are extremely committed to the communities that they serve."

• For you *real deep thinkers* out there, I want to share a link **Mr. RAY WILSON** sent me. It's a presentation by a brilliant guy named **HANS ROSLING** about two interesting correlations: The evolution of the human lifespan since, when in 1815, the average lifespan of people on earth was 40; and wealth and health, where populations in wealthy countries are having increased lifespan in direct proportion to the wealth of their country. Very interesting, and my bet for some, is that this will provide you with thoughts that might help your long-term business planning. Check out www.flixxy.com/200-countries-200-years-4-minutes.htm.

• **IHRSA** has released its **2010 Profiles of Success**, and we've published a report on it on **Page #24**.

• **IHRSA's MEREDITH POPPLER** provided an update on **IHRSA's Public Policy** efforts:

1. There will be a meeting specifically for **California Club Operators**. It will be **2:00 PM to 3:30 PM on Friday, March 18th** during the **IHRSA Convention**. The threat of sales tax, efforts to regulate personal trainers in clubs, and of course, the implementation of childcare background checks in California (Trustline) are just a few of the legislative and regulatory issues to be discussed at this regulatory and legislative briefing for California clubs. You must be registered for the **IHRSA convention** to attend.

2. The **Public Policy Council Meeting**, where important discussions regarding the industry's position in nationwide health issues and our battles regarding state legislative issues will be discussed, will take place on **Thursday, March 17** from

4:00 PM to 5:30 PM. All current members of the **Public Policy Council** are invited to attend. Please email **Meredith Poppler** at mpoppler@ihrsa.org to RSVP or learn how to get involved.

3. If you've not yet registered for the **IHRSA Convention, March 16-19th** in **San Francisco** yet, you may want to think about contributing to the **Industry Defense Fund**. Among many of the fantastic reasons to support **IHRSA's Public Policy** efforts is that any contribution to the **Public Policy Fund** greater than \$2,000 includes a complimentary convention registration, and any contribution greater than \$1,000 qualifies you for extra special registration rates.

4. Here's another reason to contribute to **Industry Defense Fund**. In a study published in this month's **Journal of Management**, researchers at the **University of Tennessee** (Knoxville) and the **University of South Florida** said that companies that contribute to lobbying efforts "**enjoy about 20% higher performance.**"

Let me add this, folks. **The revenuers are coming! The revenuers are coming!** Do I sound like **PAUL REVERE** or what!? Well, let me tell you what I mean. In the United States, we have both the **Federal Government** and **State Governments** licking their chops and thinking of ways to take money from each of us and our businesses. They **ARE** going to try things in the **Federal Government** that we are all going to want to oppose, and the same thing goes for each of our **State Governments**. When these revenuers come our way, *directly after our industry*, there is no other way to stop them except for representation by **Lobbyists** in **State Legislatures** and in the **United States Congress** in **Washington D.C.** This is a simple, cold-hard fact, and the **ONLY** representative our industry has in **Washington** or in the **State Governments** is guess who? **IHRSA**. In short, by contributing to **IHRSA's Industry Defense Fund**, you are helping **IHRSA** to prepare to fight for your business. You can look at it any way you want, but how I look at it is like buying insurance for a club's futures... pure and simple. Please give **Meredith Poppler** a phone call at **(800) 228 - 4772, Extension #129** to discuss a possible investment in "public policy insurance" for your club. **IHRSA's** track record over the past two years fighting for your clubs is awesome with **50 Public Policy victories** and **ZERO defeats!** So, I urge you to help **IHRSA** continue to fight for our industry! I give every year, and I don't even own clubs anymore!

• **Congratulations** to our club mates down under as the disastrous music fees the Government had passed have been repealed! Check out the report on **Page #24**. This is great news because, had these tariffs been enforced, many club owners would

have been damaged greatly or even put out of business altogether! Good on 'ya mates!

• **The American Council on Exercise (ACE)** announced that it has collaborated with the **International Council on Active Aging (ICAA)** to offer professional development for staff members who provide fitness and wellness programs in senior living and community-based senior centers throughout the country. This was an extension of the existing partnership between **ACE** and the **ICAA** formed in **March of 2009** for education tracks designed to enhance the knowledge and skills of rehabilitation, nursing, recreation and fitness professionals who provide fitness and wellness programs to mature adults. The new education tracks are available from both organizations online at www.acefitness.org and www.icaa.cc.

• The folks at **Merritt Athletic Clubs** in **Baltimore, Maryland** informed me that they are the 2nd club in the country to debut **Life Fitness'** new **Life Fitness Journey** concept in their new **Buckingham Club**. The Grand Opening will be **January 15th**. The **Life Fitness Journey** concept groups exercise equipment together based on exercise goals and incorporates equipment, layout and visuals with giant murals of bikers in the woods, scuba divers on the beach and breathtaking mountainsides covering the walls of the new **Merritt club** are meant to inspire members to be strong and fit enough to do the fun things in life. The **Journey** concept's goal is to motivate people at all levels of fitness. It helps to increase the retention rate of members by reducing exercise boredom, promoting a path of progression and stimulating exercisers to keep coming back. In addition to the **Buckingham** location, **Merritt's Canton** location is in the progress of remodeling their club using the **Life Fitness Journey** concept. Over time,

\$1 million will be invested to makeover all nine **Merritt Athletic Clubs** with the innovative design. **Best of luck to Merritt Athletic Clubs and Life Fitness with the new concept.**

• I hope to see you at **IHRSA30, the 30th Anniversary of IHRSA's Convention and Trade Show**. My son, **JUSTIN**, and I will be at **Booth #1038**. Also, please check out our **Exhibiting Advertiser List Below** of those who will be exhibiting in **San Francisco**. Please photocopy the list and take it with you so you can be sure to visit and do business with the great folks who bring **CLUB INSIDER** to you every month. **They will treat you right!**

• Speaking of our advertisers, we want to welcome **National Personal Training Institute** to the **CLUB INSIDER Advertising Team**. If you have personal training education needs, check out the **NPTI Ad on Page 28**, and contact **NPTI President, Casey McIlvaine**.

• Some may not know that **CLUB INSIDER** is a **Paid Subscription-based Publication**. Are you a **Paid Subscriber**? If the words **PROMOTIONAL COPY** appear above your name and address on the cover of this month's edition, you are *not* a **Paid Subscriber** and are not enjoying the full benefits of a **Paid Subscription** to **CLUB INSIDER**. Don't delay, subscribe today by going to www.clubinsideronline.com/subscribe.

• **God bless our troops, airmen and sailors that are at war in the Middle East and serving America around the world to protect our liberties and freedom.**

• **God bless you and your family**, and may 2011 be a surging and winning year for you and your club(s).

IHRSA30 Exhibiting Advertiser Directory

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- Apex Fitness - #331
- CatesFit Media - #1038
- Club Insider - #1038
- Cybex International - #1302
- Fiserv - #1226
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...Glenda Pigue

continued from page 3

There is so much more to Glenda's story, so we will let her share it in her own words.

An Interview With Glenda Pigue

CLUB INSIDER (C.I.) - Where were you born, and where did you grow up? Where did you go to school?

Glenda Pigue (GP) - I was born and raised on a farm two miles from a little town called Okean. It was in northeast Arkansas, and the population was 160. I went to school in a nearby small town. I married my childhood sweetheart at the age of sixteen. We moved to Rockford, Illinois during the industrial boom to find work. That was shortly after we married. Fifteen years and three sons later, my husband accepted a job at a local plant in Benton, Arkansas as a superintendent. I think we both knew when we came that this would be our permanent home. Less than two years later, I was in the fitness business. What started out to be a hobby led to a family business. By 1990, my husband would join me in the business. Eventually, all three sons came on board, along with two daughter-in-laws, and now, two grandchildren.

C.I. - If I am correct, you were originally a member of the club that would become Fitness Unlimited before owning it. When and why did you join?

GP - In 1975, I was a stay-at-home mom. My youngest son had just started kindergarten. At the age of 36, I decided I needed to lose some weight and get in shape. I saw an ad in the local paper. Magic Mirror for women only was having a back-to-school special. I jumped in my car and headed over there. Joining Magic Mirror changed my life forever.

C.I. - What was your membership experience like?

GP - After joining, I was given a

membership card, weighed and measured and shown how to do the basic program using equipment. In only six months, I had lost 20 pounds, and maybe the most important thing to me, the pain that I had always had in my back ever since I could remember was gone. I still don't have back pain. This was the beginning of my passion for fitness.

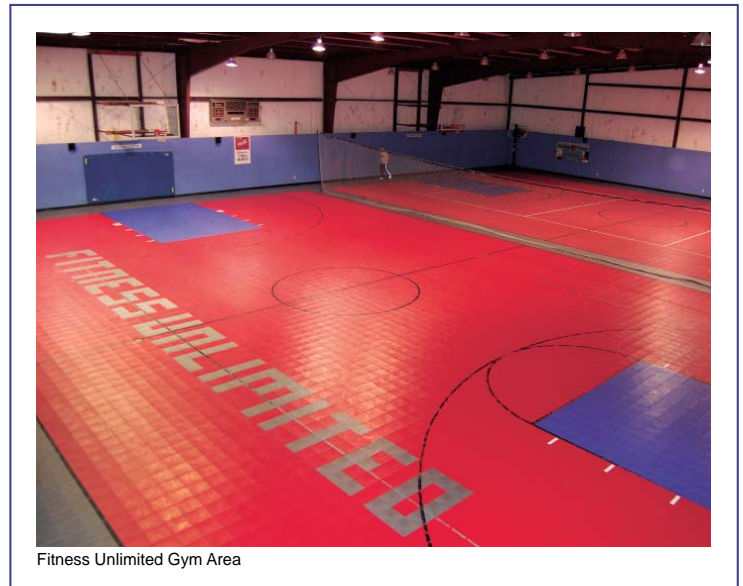
C.I. - Please tell our readers how you came about owning and operating the club. What is the population of Benton, Arkansas and the surrounding area you serve?

GP - Rumors were going around that Magic Mirror would be moving to a larger city. I just couldn't let that happen. I began to think of ways that maybe I could buy the franchise. Eventually, that's what happened. I purchased Magic Mirror in May of 1976. I had never worked in a fitness center, never taught an exercise class, I had little formal education, but I knew I wanted to buy Magic Mirror. I was anxious to share the success I had received from the exercise program, and I made up my mind that, whatever it took, whatever I had to learn, I would make this business work.

The population of Benton in 1976 was 17,000. Benton now has a population of between 25,000 and maybe 28,000. From 1976 through the 1990s, we were the only fitness center. Now, 35 years later, there are twelve fitness centers in a 6-mile radius. Two opened this year; an Anytime Fitness and a \$26 million, tax-funded Government-owned fitness center. We have made several adjustments since. We knew it was coming three years ago, and we are ready to face that challenge.

C.I. - Please describe your club at the time you acquired it. How many members did you have?

GP - Magic Mirror, for women only, was a rented, 1,200 square-foot facility. This space included a bathroom, an office and an exercise area. The equipment consisted of --listen to this-- eight belts and eight



Fitness Unlimited Gym Area

rollers. They were actually massagers and didn't really do anything. We thought they did, but this was before stretching was introduced. We just did complete calisthenics; no warm-up, no cool-down. New members felt like a truck hit them, so the belts and rollers were very good massagers. They did help circulation, but that's what they were. We had three stationary bikes and a four-station weight machine. That was it.

When I purchased the franchise, we had 40 active members.

My new career started by learning how to teach classes. You see, I bought it before I even knew anything about it. I soon learned there was a lot more to running a fitness center than teaching classes. There's a lot more that has to be done between the classes; answering the phone, enrolling new members, setting them up on a program, calling current members that are expiring, keeping the books, paying the bills, keeping the place clean and neat, and so on. We opened at 8AM and closed at 8PM, and we had 15-minute classes every hour on the hour. Every member would bring their food diary in every fourteen visits and be weighed and measured. It was at that time that I found out how many crazy diets women would do just to lose weight.

C.I. - Please describe your club today. How many members do you have now?

GP - The total workout area is 60,000 square feet. We have three racquetball courts, two basketball courts, an indoor pool and an outdoor pool. There are a total of five locker rooms with lockers, showers, whirlpool baths and saunas. There are five workout rooms, two large aerobic rooms, child care and a KidFit area. We have massage therapy, a HydroMassage bed, seven tanning beds, two hydraulic circuit rooms, one for women only and one that is co-ed. We have a juice and smoothie bar with lots of healthy protein shakes and food supplements. Of course, our Thin&Healthy Total Solution weight loss program has its

own area. And last year, we brought back Magic Mirror for women only. Besides a hydraulic circuit, it includes treadmills, recumbent bikes, ellipticals and instructor-led classes. We offer personal training, and of course, group exercise from belly dancing to Zumba, line dancing, boot camps and water aerobics. Our current membership is around 5,000.

This year, in January, we opened a 24-hour center. Throughout the day and the evening, the 24-hour center is like a club inside a club. It's totally complete with cardio equipment, free weights, a ten-station circuit, locker rooms and its own entrance. Members love it; expanded hours, new equipment and no dues increase. The only difference is members purchase a 24-hour card to use it, which is a one-time charge of \$25.

I can't forget the senior program. It includes arthritis classes in our heated pool, Silver Sneakers and line dancing.

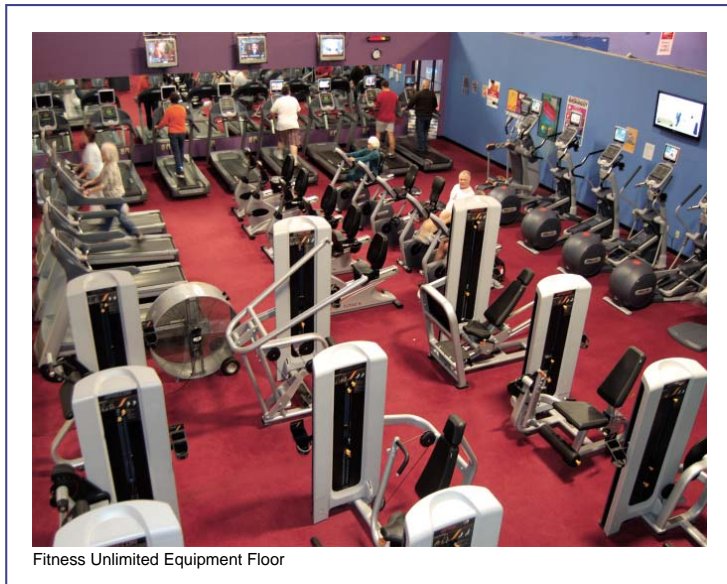
C.I. - Please chronicle the major changes/additions you made to get to the current configuration of your club today.

GP - Over the years, we are constantly looking at ways we can better serve our members and the community. Looking back, it feels like we were under construction or renovating something all the time. Of course, the biggest change was in 1987 when we purchased six acres and built the Fitness Unlimited health complex. That first building was only 20,000 square feet, but it was quite a quantum leap from the 4,000 square-foot, women-only rented center. Since that year, it has been slow but steady growth.

The top three additions we have made in the past three years that have had the best impact on our club are:

1. The Thin&Healthy Total Solution
2. The 24-hour Center
3. Bringing back Magic Mirror.

(See Glenda Pigue Page 14)



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...Glenda Pigue

continued from page 12

C.I. - When did you add Donna Krech's Thin & Healthy Total Solutions to your club, and how has that helped your business?

GP - Donna Krech, the Founder of Thin&Healthy Total Solution, is an amazing woman. I searched for years to find the best healthy weight loss program to offer the community. I looked at everything that came down the pike. I tried so many, and even had a dietician on staff doing weekly lectures. We eventually developed our own weight loss program that had some success, but it was not what we were looking for and definitely not a profit center.

We all know the numbers; 67% of our population is overweight, 30% obese. As an industry, we are just not reaching the people that need us. The average person has been on 10-20 diets in the past 3-5 years. Countless members have told us they have been on many diets but lost their motivation and quit, then quickly gained any weight they had lost right back.

I discovered Thin&Healthy four years ago, but when I first looked at it, I was a real skeptic. I've seen a lot of things. I looked at the numbers, and they looked too good. My first reaction was, 'This is never going to happen.' I couldn't charge that kind of price in Benton, Arkansas; maybe Ohio, maybe California, but not Benton, Arkansas. We have a total of twelve fitness centers in a six-mile radius with a \$26 million tax-funded, government-run complex and facility, and some of these fitness centers are only charging \$10 a month. We had not raised our prices in years, but at the same time, expenses were going up. We knew we needed to find another profit center, and we knew the direction we needed to go was weight loss, but it took almost a year. I talked to hundreds of people, visited other clubs that had Thin&Healthy's Total Solution, and finally, in July of 2008, we

brought Thin&Healthy's Total Solution to Benton, Arkansas.

It has exceeded everything I hoped it would do, and now, I do believe the numbers! One of the best things that happened as a result of the Total Solution system is how much *our club* gained from it. The full system is more than just weight loss. It is more than a diet plan. Total Solution taught us to sell a two-point presentation; two programs at one time. For instance, they can take personal training or boot camp, or whatever they choose. So now, we are getting from \$100 to \$120 in a membership, even if they don't buy weight loss, instead of the \$39 we were selling at. The members are getting better results than we've ever had, and we really did double our dues. One thing I was so concerned about was the Return on Investment. We actually signed up enough people in the first two weeks to get our money back. The complete system --the training, the marketing, and especially, the sales system-- has helped us experience a 97% closing rate. So, I can truthfully say that this is one of the best decisions we have ever made.

C.I. - Please tell us about your staff. Who are the key people in your organization, and how long have each of them been with you?

GP - Years and years ago, I had one employee, and that was myself. As the business grew, so did the people I came to depend on. Of course, being a family business, the family played a huge role. We've had three people that have been with us for fifteen years and one that has been there for eighteen years. We really have a wonderful staff. I'm really happy and feel blessed right now to have the people that we have working with us.

The family has been there riding along with me, growing up in it. The boys were there when they were tiny, when I was in Magic Mirror, and they've learned the business. Most of them, and the daughter-
(See Glenda Pigue Page 18)

An Interview With Donna Krech

CLUB INSIDER (C.I.) - When and how did Thin&Healthy get involved with Glenda Pigue's Fitness Unlimited?

Donna Krech (DK) - She's actually been part of our organization for about two years now. She's a 'Plug-it-in-er.' She really applies the system. They inquired a few months before they got involved. They had done many things as far as weight loss goes. They did internet things, they had a dietician from a hospital come in, they did *I Lost It At The Club*, and they would always get a lot of people involved. The bottom line, though, was nothing ever made them any money. The reason it took a few months for them to get involved with us was they didn't believe our numbers could be real. She and her son sat down and dissected the numbers and said, 'How is it possible that this much money can be made?' Now, Glenda will tell you that, if she knew how real the success would be, she would not have waited a few months to do it.

C.I. - The results of Thin&Healthy's Total Solution at Fitness Unlimited have been spectacular. What special personality and business traits and talents did Glenda have that made her successful in implementing a *profitable* weight loss program?

DK - Glenda really wants to see people be successful and healthy. Her heart is her best personality trait, and as you have now learned, she loves her family. Her family is the business, and she wants to see them be successful. She's on top of it. She has a fitness background. She can sell. She can speak. She's passionate. She constantly researches what's available in the industry. Her reading material consists of the industry trades, wellness information, and she just pays attention to what's going on out there.

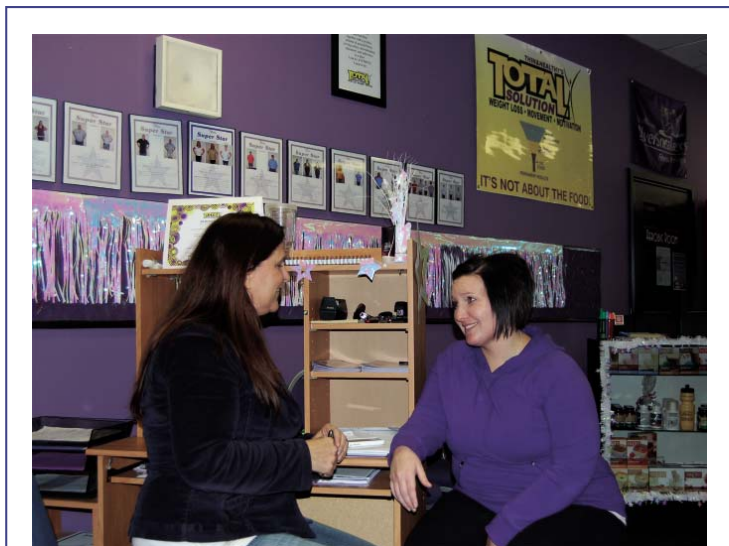
C.I. - If a club owner/operator wants to install a *profitable* weight loss program in their club, regardless of brand, what advice would you give to them?

DK - 1. Remember Marketing 101. Marketing 101 is market first to your existing customers. Market second to people who were once your customers. Market third to people who have thought about being your customers. And, market fourth to people who have not thought about being your customers yet. 90% of people who enrolled in a gym did so to lose weight. We do not market to them correctly, and by correctly, I mean enter the conversation going on in their mind. The conversation going on in their mind is, 'I want to lose weight, meaning I want to shed pounds; or I want to fit in my skinny jeans; or I want to be healthier when I go back to the doctor.' You have to find out what conversation is going on in their mind. It's about listening to what they want and then giving them what they need, not selling them what you think they need. In the gym business, we are guilty of this. For example, 'Come pump some iron.' We've already learned that pumping iron doesn't help you lose weight.

2. Success systems for everything. Don't just put in a weight loss program. Put in business systems that work, of which a weight loss program is part. Just putting in a weight loss program is not going to make money. You need a seamless sales process, and the typical fitness tour is not going to do it. You need coach training, not just speaking in a class or sending members to a website. You need to know how to coach people, and you have to know how to watch the numbers so they can talk to you.

3. Let your passion marry a purpose. Fitness people are passionate people. That's probably one of the biggest reasons you and I love this industry. I love that. If you let your passion marry a purpose, and you become the go-to expert in your community for weight loss, no one will be able to touch you. Don't just be passionate about it, but be born for it. You will touch so many lives, and you will make so much money. You'll be so well known that it will trump everything else.

4. Grow your people. Be in it for your people. I don't know that, as fitness leaders, we pay attention. A lot of people want to make a difference, as well as more money. They have personal goals. Do you know them? If you measure their performance so that they can hit their goals, adding the right business system for which weight loss is a component will help them achieve their goals. The system is what will determine if you make money. Like Glenda, you have to be willing to plug in the system that is taught. She had such a passion, and she is smart, so she knew she wanted to grab hold of something that would make them stand out in Benton. She plugged things in. She didn't say, 'Well, I don't really want to talk to my members that much, so I'll do this part, but I won't do that part.' Or, 'It seems like extra work to help my people achieve their goals, so I'm not going to pay attention to that part.' If you want to get more back, you have to give more. It's the law of reciprocity. Glenda gets that. The more she gives to her members, to her people, to her family and to the systems, the more she gets back. They added half a million dollars a year to their gym. In this economic season, they literally tripled their dues when they added our system. Above all this tactical business stuff, she is a spectacular lady. She is a true 'Gem' in our industry.



Thin&Healthy Consultation: Penny Landreth (L) and Jamie Beckner

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...Glenda Pigue

continued from page 14

in-laws, right along with them, can jump in and do anything that needs to be done. Of course, the boys can't teach class. They know the business, and anytime something goes wrong, or somebody doesn't show up, there's always someone in the family to pick up the slack.

Long-term employees include:

Kim McClendon - 15 Years
General Manager

Tracey Carter - 15 Years
Office/Front Desk

Barbara Kane - 18 Years
Senior Advisor

Faye Holder - 18 Years
Childcare

C.I. - What was the reaction of your members and your community as you grew your club?

GP - We have always received tremendous support from the community and the members. We have been told by the leaders in our community and the Chamber of Commerce many times that we are an asset to the city. The members are always excited to see our additions and promotions. We've won awards over the years. We won the Governor's Council on Physical Fitness Health Club Award, and we were presented it by Governor Huckabee. We had to have recommendations from professionals in our city, and three top physicians recommended us for the award. We won it two different years, 1997 and again in 2003.

Our son, Shane, received the Citizen of the Year Award from the Chamber of Commerce in 2009. Shane puts on a Tournament of Champions (baseball), and it is the biggest in the State of Arkansas. The amount of money brought into the city is several million dollars. It's over Memorial

Day weekend, and he has over 100 teams that come. This year, he says there will be 300 because they have expanded the baseball and softball fields. This will be the fourth year, but in the last three years, from the tournaments he has organized, he has been able to donate over \$50,000 each year to local charities. He knows how to put on a tournament because he's played ball all his life. He's our sports guru.

C.I. - What do you have planned for your club in the future?

GP - Right now, we are in the process of expanding Thin&Healthy's Total Solution, and before the end of January, we will be opening a 6,000 square-foot speed, agility and training center for young athletes ages 8 and up. Shane is involved in that because he's been the athlete in the family. Coaches in our area are really excited about the new center. And, I have written a book and plan to have it published this year. This book has 35 years of history about Fitness Unlimited. There's information on how to open a fitness center from scratch. There are stories on five fitness centers I opened in the State of Arkansas*. There's family background, inspirational stories, pictures and testimonies, tips on health and exercise to stay young, weight loss and staying fit, how I took a membership base of 40 to over 5,000 and a 1,200 square-foot to a 60,000 square-foot health complex. I believe this book could be inspiring to others who are interested in opening their own fitness center or those who want to take their club to the next level. I believe it could be encouraging to know that you don't have to have a lot of money, education or experience, but an unstoping passion and willingness to do what it takes to realize a dream. The name of the book will be, *From Passion to Profits*.

*The four other fitness centers that I opened were based on the Magic Mirror model. I would look for a city with at least a population of 10,000 and no fitness

center of any kind. I would research the unemployment rate, major source of income, demographic makeup and median income per family for that city and surrounding cities. Once the decision was made to begin putting numbers together, ordering equipment and leasing information, we would begin presale of memberships. After opening and training employees, I looked for someone local to purchase the fitness center. During this time I was forming my plan to have a fitness complex that reached populations and the community.

C.I. - How has IHRSA helped you grow a successful club business?

GP - Well, I think being a member of IHRSA is the best way to stay informed on what's going on in other clubs around the country. I always read their magazine. I've attended many of their workshops, clinics and conventions. I always learn something to bring home to my club, and sometimes, I help somebody else grow their business. I really love interacting and networking with other club owners to hear what is working in their club and what issues they may be having. Being a lone ranger in this business does not work.

C.I. - Suppose you were a club consultant dealing with clients who wish to grow their clubs like you have so successfully done. What advice would you offer them?

GP - I would say:

- Always have an open mind.
- Never think you know everything.
- Never stop learning; this business is always changing.
- Anticipate the newest trend; learn to know the difference between a fad and a real trend.
- Stay one step ahead of your competition, and know your numbers.
- Keep the club clean, update the equipment and keep everything well-maintained.
- Always try to add some new things; equipment, programs, classes, etc. Keep things exciting. It's always a work in progress.
- Be committed to capital for staff training.
- Your goal should be for you to see your

members reach their goals. You have to feel good about being in a business that helps so many people.

C.I. - Glenda, are there any other comments you'd like to make as we close this wonderful interview?

GP - I thank God for the opportunities he's allowed me to have. Most of what I've learned was not in a classroom but in the trenches. Sometimes, life comes at you hard, but the sweetest victory comes when you have been knocked around a few times. The fitness business is not all fun and games. It's rewarding, but it's also challenging at the same time. I learned a long time ago that success is a moving target. Nothing ever stays the same, but I am so convinced that *prevention* is the answer to our healthcare crisis. When people take more responsibility and better care of their health, we could see the cost of health care reduced by significant amounts. We must take preventative action long before disease sets in. Fitness Unlimited exists to assist in reaching that goal for our community.

• • •

Thank you very much to Glenda for taking time to share her amazing story with us. We hope it inspires you in 2011! Thank you also to Donna Krech for her time speaking about Fitness Unlimited's accomplishments with Thin&Healthy's Total Solution. And finally, thanks to Vinney and Chris Pigue for their assistance.

(Justin Cates is the President and Assistant Publisher of **CLUB INSIDER** and grew up in the health, racquet and sports club industry. Justin was born into a club business family in 1985, and from the age of eight, he spent his non-school and sports hours in a home which doubled as **CLUB INSIDER** Headquarters. He has lived and breathed this industry for 25 years, since his own day one. Now, he is an integral part of the "Story" of Norm Cates and **CLUB INSIDER**. Justin may be reached by phone at (770) 595 - 6086 or email at Justin@clubinsideronline.com)

Member Testimonial: Jennifer Minor

Jennifer Started Thin&Healthy's Total Solution in October of 2009. She has almost hit her goal. She only has ten more pounds to go to hit her goal of 100 pounds. She has lost 90 pounds, 115 inches and 14% body fat in 70 visits.

Jennifer comments:

"On my 36th birthday in October 2009, I received a brochure in the mail from Thin&Healthy's Total Solution. I was determined to not be over 300 pounds on my 37th birthday. I called and met with them the next day, and that was the beginning of my awesome journey with them. Thanks to the program, I was considerably smaller on my next birthday. I have lost 90 pounds and 115 inches so far. It is a very easy program to follow. The coaches and trainers are great and very helpful. They really are there for you and very supportive. I would recommend this program to anyone. IT WORKS! It has totally changed my life. I am now able to do things that I couldn't do before such as cross my legs, ride amusement rides and sleep on my back just to name a few. I truly didn't realize how much I was missing out on until I joined this program and started losing weight. Shopping is so much fun now. I can't stress how happy I am with this program. It is great! I am so thankful for Thin&Healthy's Total Solution!"

Member Testimonial: Carrie Scudder

Carrie started Thin&Healthy's Total Solution at the end of July in 2010. Carrie has hit her goal. She has lost 45.6 pounds, 81.5 inches and 10.8 % body fat in 34 visits.

Carrie comments:

"I started my weight loss journey on my own and at the heaviest weight I'd ever been. In February of 2010, I had just given birth to my youngest son. I love my boys, but I didn't love how I looked or felt. I went to a gym and worked out as much as possible. After losing 33 pounds, I hit a plateau. I thought more exercise was the answer, but it wasn't. At 179 pounds, I joined Thin&Healthy's Total Solution. They provide me with the tools and knowledge to eat and exercise properly. With the help of great food coaches, trainers, equipment and classes, I was able to lose over forty more pounds in three months! They have shown me a new lifestyle, not just a quick fix. I feel awesome and healthy enough to keep up with my young kids! Thanks Total Solution!"

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Club Members Lose Their Weight and Gain a Career Helping Others Do the Same!

By: Donna Krech

On this season of NBC's *Biggest Loser*, you may have noticed a trend among the past contestants. Many of them have chosen a career in helping others lose weight and get fit. That makes sense. You and I are both in the business of fitness because it is something we are passionate about, and we want to share our lifestyle with those around us.

Following this trend, I would like to introduce you to our current Members of the Month who are now part of my amazing teams at Fitness Solution 24/7 and Total Solution, changing the lives of those that walk in our doors. I encourage you to think of your amazing members that would make a great addition to your team.

Mike lost 105 pounds and 124 inches, and not only was he able to move around a lot easier, he also improved his cholesterol and lowered his blood pressure. Noticing

he needed more than an exercise regimen, he realized he needed to create a lifestyle of healthier eating, exercise and motivation. Mike took his love for motivating others and started the **Century Club** in our facility to recognize everyone that lost 100 pounds or more at Fitness Solution 24/7. He's taken to his new-found passion of healthy eating and fitness and is now spreading the word as one of our marketing and membership specialists.

Jodi lost 95 pounds and she, too, is one of our membership specialists. She's amazing because, while holding down a full time job and being a mother, she was also going to school full-time. Jodi watches our club members closely so that, if they hit a wall, she can provide them with the permanent solution.

Debbie lost over 50 pounds and 48 inches! She started losing weight so she could do more for her family and be a positive

influence of healthy eating and exercise. As a member and employee, she loves learning how to have her favorite foods like pizza and chocolate and still lose weight. She then shares her favorite delicious recipes with everyone she meets. Since losing her weight, Debbie now sleeps better, has more energy and more confidence to be the mom she wants to be.

Jess came to us when she was down about herself, frustrated about her looks and size and embarrassed to go out in public. Tiny little Jess found herself in a size 15 and didn't want to do anything. As a club member, she trimmed herself back down to her size 5, and she began to bring back her social life. Being 35 pounds lighter and 68 inches smaller, Jess now has the confidence to talk to others about their weight struggles and invite them in to learn more about regaining their confidence. Now that she's lost her weight, she feels like living again!

Remember, it's not about taking away foods you love in order to lose weight. Meeting a member where they are allows them to progress at a pace they can live with, thus they lose ALL their weight and keep it off. Visit www.clubinsideronline.com/thinandhealthy to hear from these winners via video.

For help please call us at (866) 260 - 8446 or email bhammond@thinandhealthy.com. If you don't install Total Solution, please install some form of weight-loss program. There are lives to save!

(Donna Krech is Founder & CEO of 7 fitness, weight management and life success companies including Fitness Solution 24/7 and Thin&Healthy's Total Solution. Donna's industry career spans a successful track record from 1982 to today, creating and growing business systems, result-producing programs and business models that remain ahead of trends.)

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“Tired Of Trying To Put A New Spin On The Same Old Thing?”

MIKE KOPEC,

We have been **COMPLETELY SET APART** from our competition now! I think it's exciting to know that not only does the Thin&Healthy's Total Solution model work because it sounds good in theory, it also works in practicality.

Having been a part of the club industry for over 16 years, Thin&Healthy's Total Solution is the first program I found that addressed the root cause of why people are healthy or unhealthy, which is education. There is such a simple correlation. People in general are not that complex, whether you are trying to teach them algebra or health & wellness. If you don't manage the person, you can never manage the outcome.

Personal training plus working with kids as a high school teacher, I learned very quickly that if you don't address the inside of a person, the outside will never fix itself. I myself have struggled. I've gained and lost over 100 lbs twice in my life. I've run 5 marathons and done an Iron Man. I've competed for USA weight lifting. I know what there is to know about food and movement so obviously being fully healthy is not about either one of those.

What Thin&Healthy's Total Solution allowed me to do at our Fitness Premier locations was to take a facility and give it a philosophy of being results-minded--finding the true solution for our member and actually letting it

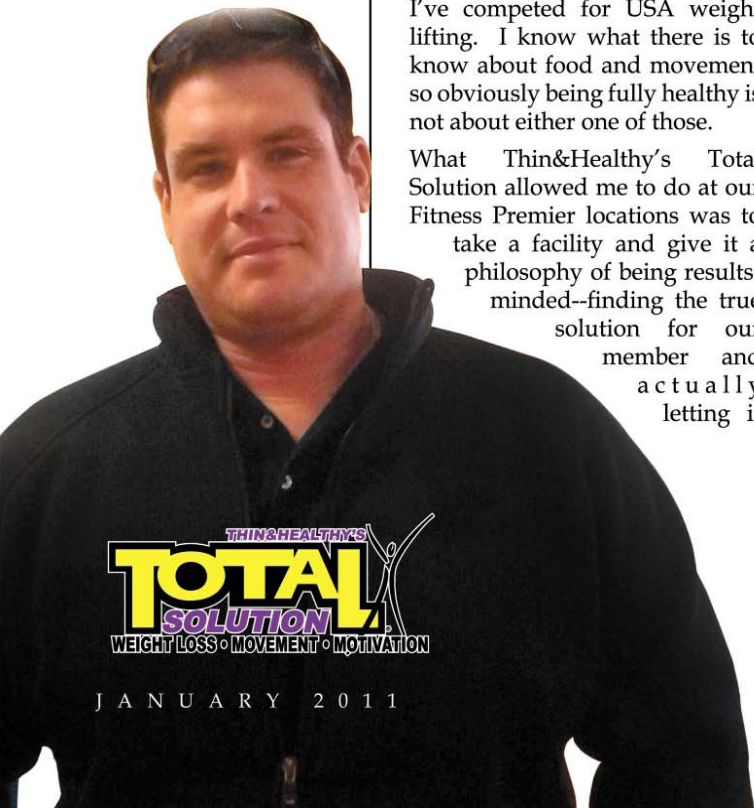
become the culture from how we greet our customers. We don't want to just ask a "how are you doing today" and when somebody says "horrible," we say, "That's great, have a nice day!" We don't want to be automated anymore. We want to reach people on a personal level that goes beyond the simple automated customer service that most people get. What Thin&Healthy's Total Solution allowed us to do was build a culture that harmonized all of the departments and gave us an identity.

These days, Mom & Pop gyms have to compete with the low-price box stores. What we fail to remember is that when we remove the nice lady at the checkout line at the grocery store and put in a machine, we lose the human element. No matter what happens in life, if you stop treating people like people, they are going to stop coming. We're just bringing back the basic needs of human relationships and caring.

Since bringing in Thin&Healthy's Total Solution, for the first time I'm seeing members wearing makeup. I'm seeing members smiling. I'm seeing the grumpiest member in the world who told me when she joined the club she didn't believe she'd get to her fitness result, and she didn't believe it when she sat down with me to hear about Thin&Healthy's Total Solution only 45 days ago but she's down 21 lbs and she was our first superstar! She was the most cynical and now she's finally happy!

I've seen great changes with the members. People are smiling more and making new friends. NO longer are they just renting a treadmill and not even talking to the people next to them. They are coming for our MRC classes and goodie days. They are communicating with our coaches and they are forming new groups of friends. It's bringing back that social component that health and wellness really needs because part of being healthy is having a social support group.

To say that club owners are missing the boat is an understatement when talking about finding the true solution for the member. I think that as an industry we continue to focus on what is going to make us the most money. We play with our enrollment fees and we play with our monthly fees and we find new ways to get people into personal training and ask ourselves, how do we package this same thing in a new way? It's kind of funny. We're constantly putting new wrapping paper on the same old gift. Thin&Healthy's Total Solution is something totally new—not just new wrapping paper on the standard club package. We have been **COMPLETELY SET APART** from our competition now! I think it's exciting to know that not only does the Thin&Healthy's Total Solution model work because it sounds good in theory, it also works in practicality. It does make dollars and sense. X



JANUARY 2011

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Does Your Club's Customer Service Have *Heart*?

By: Jeffrey Keller

A lot of readers see articles from me on customer service and leadership. This is because I believe they are the main reasons we don't engage customers in that group of 85% of Americans who aren't our members. Instead, we trade members back and forth. Members walk away and go to the next place that has opened. Well, I'm here to say that it doesn't have to be that way.

Just recently, I had the fortunate opportunity to be with my father while he recovered from surgery in a Pensacola, Florida hospital; Sacred Heart Cancer Center, to be specific. Now you may ask, "How is that fortunate?" Well, I also got to experience what one may call *magnificence in customer service*. Truly, in my time writing and talking about customer service, I have experienced no organization that has risen to such heights. They made that hospital stay, which was a very long one, unbelievable. Oh, and I forgot to mention that my parents live in South Florida, nine hours away from Pensacola and have considered moving to Pensacola to be close to the hospital for further treatment.

Pretty amazing, right? Wouldn't you like people to move close to you just so they could come to your club? I would.

So, what can I teach you about what they do that can benefit how you run your club? Well, a lot of things, but I've included five points below that I observed. If you're doing three of these, you're probably doing better than the average club. If you embrace all five, and execute them consistently, you shouldn't ever have to worry about that new club down the street offering \$10 per month memberships.

1. Treat your employees like gold, and they'll treat your members like gold. One employee can easily treat twenty members like trash because you were insensitive to him. Those twenty members quit, and they'll find another twenty members to treat like trash. Let this go on long enough and you'll have no members. Sacred Heart expects their staff to *be there* for patients. This emotional and physical toll makes rushing to leave for a meal a stressful burden that results in staff not wanting to *be there* for patients. So, as most hospitals do, Sacred Heart has a cafeteria; however, not

only do they offer a very nice cafeteria, but employees receive what I can only describe as "at-cost" pricing. In short, Sacred Heart operates their cafeteria as a loss-leader when it comes to their employees. The end result is that employees get great food at prices that make them feel like the hospital isn't just making them work hard and then forcing them to give their hard earned money back in the cafeteria. Find out what's wrong for your staff and fix it. Ask them. They'll tell you what's wrong, what's hindering them and how you're keeping them from being their best.

2. Don't be a Desk Jockey Owner/Manager. The Owners and Managers who sit in their offices, do reports and don't engage with the staff and members are doomed. In my time at Sacred Heart, I saw more administrators doing rank-in-file responsibilities than I have ever seen before. At one point, there was an Administrator, in a very nice suit, holding elevators for patients, patients' families and employees. When two other employees saw this, they jumped in to help. As an Owner, walking through the club multiple times during the



Jeffrey Keller

day is essential. Wipe down the vanities in the locker room. Make a suggestion or two about how to use a machine. And, talk to the members. Don't just nod at them as you walk by. Your staff will emulate you when they see this is the behavior you expect.

3. Staff MUST own problems the way you own the club. Follow-through is (See Jeffrey Keller Page 23)

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Everyday Things You Can Do To Improve The Bottom Line In Your Health Club

By: Jim Thomas

Whether you own, manage or you're a sales rep in a health club, it's important to keep your focus on the primary activity that keeps your health club growing, and that's new member prospecting.

New membership sales and membership renewals will never happen if you don't have anyone to talk to. However, health club prospecting is not meant to be just waiting for the phone to ring. It's about finding prospects who can and will buy a health club membership. That's a skill set you want to continually work on and then use as a key part of your daily health club activity.

Here are some daily prospecting habits that are easy to do.

Pick up the telephone: Perhaps the most powerful selling tool in your health club is sitting right there in front of you. Pick up the phone and make a call to a new potential member. This habit is vital for finding new membership leads and turning them into new members. Not every prospecting call is going to result in a new membership sale, and membership sales is not the only reason you need to pick up the phone every day. Talking to others builds your self confidence and teaches you how

to properly fine-tune your listening skills. Both of those will help you meet your membership sales goals.

Attend a local networking event: A local networking event is a great opportunity to show the face of your health club in your local community and to meet new people. No one is there to buy anything, so don't try to sell memberships. People attending networking events are most definitely interested in making new connections, and new connections can lead to some great relationships and some great opportunities for your health club. Make time for networking events in your weekly calendar, and always be on the lookout for new ones. This opportunity is not utilized enough.

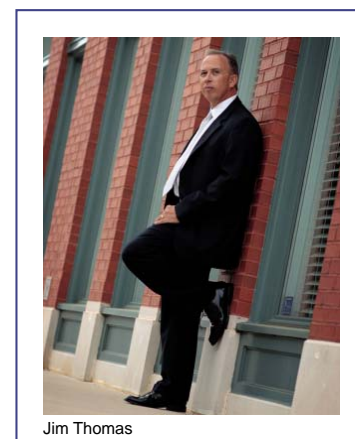
Keep in touch with health club prospects via email: Send an email to a prospective new member to follow-up on an earlier conversation. It costs you nothing but a few minutes of your time and the simple act of reaching out to someone helps to tighten the relationship you have with that prospect. Don't find yourself out-of-sight and out-of-mind. Stay on your club prospect's radar screen.

Rekindle long-term member relationships: It can be easy for a long-term health

club member to fall out of touch with you and/or your health club. Talk to a member of your health club that you haven't heard from in a while. Maybe there's a reason why you haven't seen them. A quick note or phone call is often all it takes to rekindle that relationship you once had and that can often result in some lead or networking opportunities. Reviving lost health club members can be a profitable way to generate new membership sales now.

Call a satisfied member of your health club: Call one of your club members that you know who is really happy with your facility services. You can call just to say hello; you can share a fitness, weight loss or related tip with them or a link to an interesting news article; or you can even take the opportunity to ask for a referral or a testimonial. Satisfied club members have already seen the benefits of your health club. Staying in touch with your members and remaining a familiar face is how you reinforce that positive experience.

The key to successful health club prospecting is to make it a daily habit. Never let a day go by without doing at least one thing to generate new membership sales. Recognize that each time you do so, you're putting new potential membership



Jim Thomas

leads into your pipeline. With time, your commitment to that one simple act will bring great results, including a boost to your health club's bottom line.

Now, go improve the bottom line!

(Jim Thomas is the President of Fitness Management USA and may be reached by phone at 800-929-2898 or email at jthomas@fmconsulting.net)

...Jeffrey Keller

continued from page 22

essential to providing value in any business. Patients and patients' families don't just want you to cure what's ailing them, they want to know what's going on... constantly. My father had a hospitalist team that I must say rivaled the size of some personal training departments. The lead physician on his case was no doubt overworked and underappreciated for the emotional stress of seeing cancer patients every day. Several times, he came in to see my father without so much as a smile on his face, probably because he was bringing not-so-good news with him. One day, one of his residents came in his place. He told my mother the lead physician would be up in the morning. My mother told the resident, "Tell him we only want a smile on his face and positive thoughts." The next morning, the physician came in with a smile on his face, encouraging words and a positive outlook. It doesn't take a rocket scientist to see that the resident spoke to the lead physician about his demeanor. In short, the resident *owned* the problem, despite being that lead physician's subordinate.

He sucked it up and did the monumentally difficult thing of telling his boss that he was acting inappropriate for the situation, whether consciously or unconsciously. If your employees own your club's problems to this extent, it's almost like cloning yourself. This is an essential piece to delivering the value your members joined your club for. I know customer service consultants will say, "Customers just want to be heard." That's incomplete. They want you to solve their problem. Unless you plan on being there 24 hours a day, you better have a staff that will solve them for you.

4. Don't just "survey" your members, communicate with them. The word "survey" can have many meanings. You can do it verbally during walkthroughs. You can do it electronically via emails. You can do it in writing via a comment drop box. There are a lot of ways to do it, but you have to communicate how you're going to fix it, not just listen to them. Then, you *have to fix it*. Dr. Kurt Stockamp, the surgeon who worked on my father, stopped by his room everyday for weeks after he had completed the surgery. Why would a doctor spend that amount of time

with a patient who he was, for all intents and purposes, finished with? Because he was surveying my father to make sure he delivered what he had promised, that being a successful surgery. He took time to explain things to my mother, and when there was an issue outside of his scope, he told her he would get someone who could solve the problem. He would flat out ask what kind of issues there were going on. I bet if my father told him his pancakes were cold, Dr. Stockamp would've called Food Services and then come back with an ETA. That kind of communication creates a family out of your customers. It also makes customers want to go nowhere else.

5. Choose to enjoy your work. Don't let anyone fool you. This is a conscious choice you make every day when you show up for work. Deciding that you're going to have a positive outlook while doing your work can be hard, especially when you're dealing with demanding customers. But, make no mistake, it's probably the most essential point on this list. Members join your club to do something good for themselves, and who would want to do that in a miserable place? At Sacred Heart, the impression

that the staff gives you, from the surgeons down to the girl who serves you coffee, is that of pure passion for their jobs. That may sound cliché, but it's one of the few times I've observed it to be true, and patients travel longer to go to their hospital. If you execute this successfully, you will find that your market radius will double or maybe even triple because people want to be around you. All you have to do is have fun.

Remember, it takes more than a good business plan and nice equipment to run a successful club. You also need to lead your club past being mediocre. Execute on the above points, and you'll definitely be leading the pack.

(Jeffrey Keller, MS, MBA, is the Assistant General Manager of VillaSport Athletic Club & Spa in The Woodlands, Texas. He's also the President of the Independent Health Club Networking Association (IHCNA). ANY and ALL comments regarding his articles are appreciated. He can be reached by email at Jeffrey_keller@msn.com or on LinkedIn and Twitter.)

The 2010 IHRSA Profiles of Success

BOSTON, MA - The International Health, Racquet & Sportsclub Association (IHRSA) has released the 29th edition of its annual Industry Data Survey (IDS) results and the accompanying publication, *The 2010 IHRSA Profiles of Success*, a detailed analysis of the annual performance of leading clubs within the health and fitness club industry.

The 2010 IHRSA Profiles of Success is based upon membership and financial data for 2009 provided voluntarily by leading IHRSA member clubs in the United States and Canada. The report provides key performance indicators for several club types: fitness-only, multipurpose, independent and multi-chain facilities. Performance is also presented and analyzed by club size. A snapshot of health club consumer participation and demographics is also included in the report.

"Although limited consumer discretionary income affected both health club consumer behavior and club operations, consumers continued to visit their health clubs regularly," said Jay Ablondi, IHRSA's Executive Vice President of Global Products. "Experienced managers were able to improve aspects of club operations and maintain membership."

The 2010 IHRSA Profiles of Success may be purchased in full or in one of three value-priced sections at the IHRSA Store (www.ihrsa.org/store). The following excerpt is from *Part 2: Membership Pricing, Payroll and Facilities*.

Clubs Sell Memberships, but Consumers Cut Spending and Offset Membership Gains

Net membership growth was tough for clubs in 2009, and only a few

of the reporting segments were able to increase membership. Overall, clubs in this sample reported losing membership by 0.5% over 2008. However, a 1.5% net growth in individual members over 2008 was reported by fitness-only clubs, and clubs with less than 20,000 square feet reported a 4.6% increase in the total number of members added in 2009.

While a constant stream of new members is the lifeblood of a health club, the number of new accounts is also an important metric. In this year's survey, "membership accounts" was defined to include family and individual memberships. Clubs that are part of a chain or a multi-club operation tended to add more accounts than their smaller independent counterparts. The typical chain club added 654 accounts over 2008. The typical independent club, on the other hand, added 605 accounts in 2009.

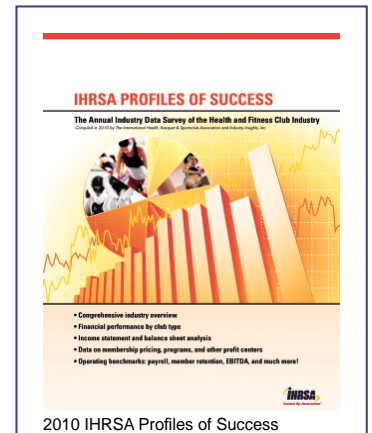
The opposite relationship was found when clubs were compared by type: larger, multipurpose clubs tended to add fewer accounts than smaller, fitness-only clubs. The typical multipurpose club added 604 accounts last year, while the typical fitness-only clubs added 700 accounts.

In 2009, clubs were still successful at acquiring new memberships and dropping less than what was sold. The member account replacement ratio for 2009 was 1.02, meaning for every 102 accounts sold, 100 accounts closed. In comparison, this is the lowest replacement ratio in a number of years. In the 2008 Industry Data Survey (2007 data collected), the sample reported a ratio of 1.29 (for every 129 accounts added, 100 were lost). A net positive ratio was observed within the 2009 Industry Data Survey (2008 data) where for every 161 accounts added, 100 were lost. It

is clear that 2009 was a challenging year for consumer spending, and thus, member acquisition and retention. With a decrease in consumer dollars and more competition for those dollars, some members decided to end their health club membership. The positive outlook is that a majority of these former members will return to the industry when their finances recover. This is indicated by the steady yearly statistic of nearly 50% of new members who have previously been members at the same or another club.

Growth and Traffic Vary by Club Type and Size

Even though all club types added more accounts than they dropped, there were some noticeable trends. When the number of individual members added was greater than the number of individual members dropped, it is possible it was due to clubs adding and dropping about the same number of individuals per account. An exception to this observation was found within the segment of 20,000 square feet or less, where these clubs added more individuals per account or were successful in up-selling the number of individuals per account. However, when the number of individual members dropped was greater than the number of individuals added, it seems to have been related to the club losing more individuals per account. This could mean a number of family members left an account. This appeared to have been the case for clubs with 60,000 square feet or more.



Member Visits

In 2009, all clubs reported a median of 50 visits per member. This measurement was consistent throughout the different club types; however, there was some variance when club size was analyzed. Clubs with 20,000 square feet or less reported 50 visits per member, while clubs with 20,000-34,999 reported 59 visits per member. Clubs with 35,000-59,999 square feet reported 49 visits per member and clubs with 60,000 square feet reported 57 visits per member.

The 2010 IHRSA Profiles of Success may be purchased in full or in sections at The IHRSA Store (www.ihrsa.org/store). The entire PDF can be purchased for \$399.95 (\$199.95 for IHRSA members) or in three separate parts for \$139.95 each (\$69.95 each for IHRSA members).



Federal Court Reverses Gym Music Decision in Australia

The Courier Mail - The Phonographic Performance Company of Australia (PPCA), a leading recording industry group, won its bid to replace the previous copyright fee of 94.6 cents per fitness class, after the Copyright Tribunal ruled gyms should pay \$15 per class to pay for the use of original music.

Fitness Australia, the industry group representing most fitness centers, applied for a judicial review of the decision. It argued there was a breach of the rules of "natural justice" in connection with the making of the decision.

On examining the ruling, the Federal Court found the Copyright Tribunal conducted itself in a way which was "procedurally unfair to Fitness Australia,"

the judgment said.

It overturned the ruling and ordered the PPCA to pay costs.

Fitness Australia welcomed the decision and said the previous ruling would have had a detrimental effect on group exercise in the industry.

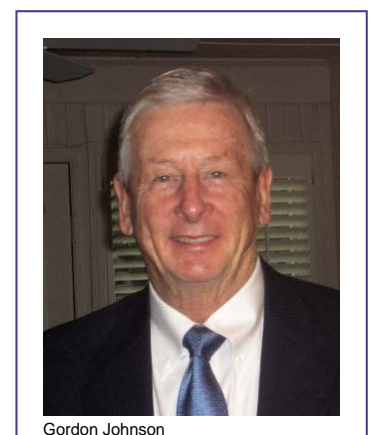
"If it had been upheld, the claim made by PPCA would have resulted in a typical fitness center with 1,500 members being forced to pay over \$80,000 in fees annually, a massive increase on the \$2,000 they currently pay," Fitness Australia Chief Executive Laretta Stace said. "This decision will ensure that gyms, fitness and recreation centers remain viable and affordable for all Australians, helping them to maintain a healthy lifestyle."

Gordon Johnson Honored

DOUGLASVILLE, GA - Gordon Johnson, Owner of two Gold's Gyms in Douglasville, GA was named 2010 Visionary of the Year by Gold's Gym International.

Johnson, who started the Douglasville locations 25 years ago, received the honor for his "absolute dedication and commitment to the Gold's Gym brand and to the fitness industry in general," according to Ginger Collins, Executive Director of the Gold's Gym Franchisee Association (GGFA).

Collins also commented that Gordon "gives his time, wisdom and support without question to anyone in the health club field wanting to improve their business and make a positive difference in their community." Congrats Gordon!



Gordon Johnson

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Medical Fitness and the Physician Referral Pathway

By: Dr. Cary Wing

The November 2010 Edition of CLUB INSIDER included an article entitled, "Time for Doctors to Prescribe Exercise." This excellent commentary, written by Joe Moore and Edward Phillips, MD, emphasized the important role physicians can play in increasing the physical activity levels of adults in the United States. Evidence indicates that patients are more likely to exercise if doctors use the prescription pad for ordering physical activity, as well as for ordering medications. The power of the physician is well documented.

Since the *Exercise is Medicine* initiative was launched in 2007 by the American Medical Association (AMA) and the American College of Sports Medicine (ACSM), there has been increased exposure for the medical fitness difference and the medical fitness model. A key component of the model is the physician referral pathway and a physician's involvement in an individual's continuum of care, or circle of health. The *Worldwide Survey of Fitness Trends for 2011* identified physician referrals as 10th in the Top 20 list. Physician referrals can connect patients with knowledgeable clubs and fitness professionals in the community. If a club is positioned to provide safe, relevant and effective exercise programs, a physician will be confident in referring a patient to the facility.

Establishing relationships with physicians through a general referral

program, or through a specific structured program, can enhance a fitness facility's credibility in the community and increase the membership base. Does your facility have protocols in place to go beyond the traditional club model and incorporate a structured physician referral program (SPRP)? The platform involves several key components and many of these are outlined in the Guidelines for Facility Certification (See the December 2010 Edition of CLUB INSIDER). In addition, there are other factors that are important and will increase the likelihood of success.

Structured Physician Referral Programs

Examples are abundant throughout the health club industry of successful, structured referral programs. The programs generally vary from 60 to 90 days in length, and a patient commits financially only to the SPRP with an option to join the facility at a reduced rate once completed. The marketing concept often used to "sell" the initial program is \$60 for 60 days. The following information identifies a few best practices from several facilities (See **Acknowledgements** Below). Review these to determine if your club has the potential to launch a SPRP.

Program Guidelines

Staffing: A facility must have the appropriate staff in place to oversee a SPRP. Degreed and certified exercise physiologists provide the expertise

required to interact safely and effectively with the patient/client and communicate appropriately with the physician. Additionally, all staff members need to be aware that many individuals participating in a SPRP have never been a member of a fitness facility. Staff members should be sensitive to any fear or hesitancy exhibited by an individual upon entering the program, and they should be continually patient, caring and understanding of emotional and physical challenges.

Assessment: A comprehensive health risk assessment (HRA) is necessary to identify risk factors, assess a patient's basic fitness level and develop an exercise plan. The results of the assessment, and the plan outlining goals and objectives, are forwarded to the physician for review and approval. Progress reports are submitted to the physician at least every 30 days. After program completion, a final report with outcomes concludes the process.

Quality Management: A multidisciplinary, team approach is recommended as one of the most effective mechanisms for a patient's success in improving outcomes. Incorporating the exercise physiologist, a dietician, wellness coach and other professionals in developing the exercise plan ensures that all components of an individual's unique footprint are evaluated to achieve positive results.

Outcomes: Outcomes are measured for reasons that include, but are not limited to, tracking individual and program success, as well as benchmarking results for program improvement. Measuring success can validate the importance of the program as well as the impact on an individual's overall health. The medical community wants pre- and post-program metrics that generally include weight, body fat percentage, blood pressure, and submaximal exercise testing. The goal is to measure those items that are directly related to program results, can be consistently and accurately obtained over time and utilizes user-friendly tools.

Physician Support: Develop a pilot program with one or two physicians. Once they are engaged and understand the process, they can act as champions for the program and support the efforts in development and growth. Work closely with them to promote exercise as medicine to their patients and provide them with the appropriate tools to do so (i.e. prescription pads with logos, specific program protocols and patient education materials).

Accessibility: The environment should be inclusive, providing accessibility to all. This may involve, but is not limited to, equipment, facilities, programs, practices,



Dr. Cary Wing

staff training and marketing.

Program Benefits

Once developed and implemented, the SPRP has many benefits that include improving the health of the community, enhancing the credibility of the club, growing the membership base and providing staff with opportunities to create a seamless bridge from medicine to wellness. The SPRP is an untapped access point to the beneficial programs and services available in a club, and it can build trust, dispelling many of the perceived stigmas of general fitness programs. The continuum of care pathway is established and reinforced, and relationships are built that extend beyond the typical reach of a fitness facility.

Summary

Health and fitness facilities have a unique opportunity today. The emphasis on increased physical activity and disease prevention should encourage all clubs to evaluate staff, programs and services to determine if the club can provide a continuum of care for the healthcare community and develop the physician referral pathway. Physicians WILL prescribe exercise. Club owners and managers just need to give them the safe and effective pathway to implement the process. As The Fitness Center at Highpoint Regional so aptly writes in their marketing materials to physician offices, "When you [the physician] refer your patients to The Fitness Center, you can be assured that they [your patients] will receive exceptional care and professional guidance in an *evidence-based intervention* that will improve their [the patient's] quality of life. What a great tool to have in your medicine kit!"

Acknowledgements:

• Jeff DeRaps, President, Sacramento
 (See Cary Wing Page 27)

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Managing the Member Experience

By: Karen Woodard-Chavez

Part II

In Part I, we began with the fact that, for the past ten years in our industry, much has been discussed about the best way to ensure that the member experience is one that 1) creates differentiation so that current members stay with the club and 2) creates differentiation in attracting new Members, allowing the club to have an edge over the competition. This has always been a critical part of any business model, but as of late, it has become even more urgent for many club operators due to the proliferation of competition in almost every market.

We continued with the reality that, often times, achieving this goal is elusive due to the fact that management may not be clear on some of the bigger picture elements of the business.

In Part II of this article series, we will address the answers that you should get, the answers that you might likely get and what to do to move forward.

Club Manager Survey

1. Please document our vision and our mission: The answer to this question should be very clear and hit all the points of the vision. After all, the vision is what we, as a company, aspire to be or where we are going. The mission should be even easier to relay as it should be a single, action-oriented sentence that every staff person should be doing to support the vision, regardless of their position. If managers/leaders do not know the strategic direction of the business, how can they lead the staff to manifest the vision? If your manager's answers are not clear, then it is time to revisit the vision and mission as a management/leadership team.

To do so, meet with them to share your concerns about the management staff not being crystal clear on the direction of the business themselves and the effect that has on leading staff participation in assisting with the success of achieving the vision. Create the reality for managers that the clearer they are on the vision and mission and understanding of how to break it down to systematic and cultural daily behaviors and activities, the easier and more successful their jobs as managers and leaders will be. The reason for this is that, when all staff members are clear on and feel they are a larger part of the bigger picture, they will contribute more. This guiding light creates a stronger sense of teamwork and commitment to the cause of the business.

Assuming that the vision and mission do not need amending, in the discussion with the managers, ask them to read aloud the vision statement and then have discussion on what it means. Notice how many different interpretations of the vision statement there may be. *This is a red flag as there should be no interpretation.* It should be a unified understanding. If there are different interpretations, then you, as the leader, need to clarify precisely what the meaning is. Once that is established, then discussion needs to be had about how to achieve the vision. This is primarily done through the strategic plan and the mission statement. Every manager should be crystal clear on exactly what their role is in the strategic plan and tracking should be in place to ensure achievement of the plan. The mission statement is the tool that harnesses and focuses all of the otherwise fragmented energy and actions of the staff and essentially outlines the consistent daily behaviors that move us toward accomplishing the vision on a daily basis. It is critical that the managers (and entire staff) know this by heart and commit to behaving in ways that support the mission statement leading to the vision. In the discussion with the managers, have all managers describe three behaviors that they look for daily that demonstrate the mission statement.

2. Please document our core values: Assuming your core values are simple and clearly defined, this should also be a very simple and clear answer. If not, then there needs to be some strategic revision. If the managers cannot clearly articulate these, then the problems that will follow include not hiring the right people to support the vision and mission as well as not understanding what behaviors should be rewarded or corrected. In the group discussion with managers about their answers, revisit the core values, the importance of them in the overall picture of the business and how they should be demonstrated by each manager and staff person as well as how they utilize core values in selecting new staff.

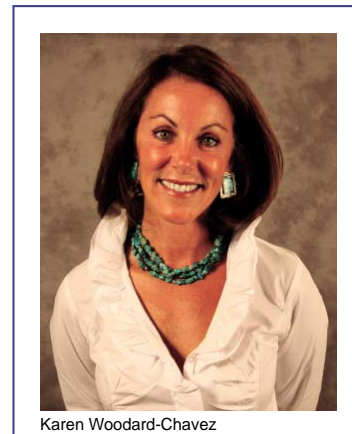
3. Please describe the three ways in which you regularly impart this to the staff: The managers should be answering this question in a variety of ways, including: discussing the vision, mission and core values with staff daily through Managing By Wandering Around (MBWA); daily, one-on-one discussions; describing the behaviors they look for; looking for teachable moments where they praise or correct staff; utilizing staff who are examples

and by the manager leading by example.

4. Please describe how you create accountability with the staff to deliver the mission and core values: The answer should be similar to #3 with the addition of the managers stating that they document and praise when a staff member succeeds and documents and corrects when a staff member fails. Further more, if a staff person consistently does not deliver, then there is a retraining period *paired with an explicit expression of when the skills need to be mastered and consistently delivered, and if not, consequences for not doing so.* Most managers are not good at this, as they do not have clear boundaries with their staff and are not good at having the right talent in the wings to replace a lack of talent. This last point merits discussion in your management meetings if you truly want to build the best team.

5. Please describe how you professionally communicate to your staff: The answer to this question should include the following elements: daily on an informal basis with a style of communication that is customized to the staff person's ability to best receive praise, direction or correction as well as formally in weekly or monthly meetings about the tools the staff person needs to deliver their best.

There are seven more questions from this survey which will be explored



Karen Woodard-Chavez

in Part III next month. In the meantime, assess whether or not the managers at your facility are answering the above questions with a similar quality. *If not, it may be time for some refresher or revolutionary training for the managers of your business to truly manage and lead your business.*

(Karen is President of Premium Performance Training in Boulder, Colorado and Ixtapa, Guerrero Mexico. She has owned and operated clubs since 1985 and now consults with and trains club staff throughout the world. She provides her services on-site, online, by phone and through books, CDs, DVDs and manuals. She can be contacted at 303-417-0653 or karen@karenwoodard.com)

...Cary Wing

continued from page 26

Spine & Physical Therapy, Inc, CA

- Bob Forman, Manager, The Fitness Center at High Point Regional Hospital, NC
- Lars Lambros, Membership Director, Dedham Health and Athletic Complex, MA
- Matthew Wever, Aquatics Manager, and Amy Petersen, Personal Training Manager, Galter LifeCenter, Swedish Covenant Hospital, IL

Resources:

- Dedham Health and Athletic Complex, www.dedhamhealth.com
- Exercise is Medicine, www.exerciseismedicine.org
- Galter LifeCenter, www.galterlifecenter.org
- Inclusive Fitness Coalition, Health &

Fitness Clubs, www.incfit.org

- Roseville Health and Wellness Center, www.rosevillehwc.com
- The Fitness Center at High Point Regional, www.highpointregional.com/ourservices/fitness-center
- Worldwide Survey of Fitness Trends for 2011, Walter R. Thompson, PhD, FACSM, FAACVPR. ACSM's Health & Fitness Journal. VOL. 14/No. 6; Philadelphia, PA: Lippincott Williams & Wilkins, November 2010.

(Cary Wing, EdD, has been a leader in the medical fitness industry for over 25 years and most recently served as Executive Director of the Medical Fitness Association (MFA). Currently she is actively involved in uniting healthcare and fitness throughout the industry. Questions and comments are welcome at caryhwing@aol.com)

Make It Fun!

IHRSA Releases 2011 List of Trends for Fitness Clubs

BOSTON, MA - IHRSA, The International Health, Racquet & Sportsclub Association (www.ihrsa.org), has released a list of health club trends for 2011.

By working with its global membership base of over 10,000 club and fitness businesses, examining industry research and monitoring consumer wellness behavior, IHRSA has identified the most significant trends in health clubs for 2011.

Trend 1

Clubs and Trainers are Providing More Age-Appropriate Offerings

Specific Programming and certifications for exercisers over 55: Baby Boomers want to age well, and they are exercising for more energy and the ability to work and/or play longer. Exercisers over the age of 55 have specific needs and are looking for programs designed for older adults. As people age, strength and balance training become even more important, so the trend is for clubs to provide specialized programming and trainers that are specifically qualified to work with older adults on their exercise programs.

Since the older adult market (baby boomers) is the fastest growing segment of the population, this trend will only grow stronger and will continue for the foreseeable future.

Youth Programming: Children ages 6-17 are the second fastest growing demographic of health club members.

There is a growing trend for sports-specific training for children from elementary school on up. This trend is popular because, while not every child will become a top athlete, this training helps boost confidence in all areas of life and helps some youth to be better athletes in their chosen sport(s).

Also, due to the obesity epidemic in children, more clubs, training programs and equipment will continue to be designed around children's unique fitness needs.

Generation X Programming: Nearly eight million Generation X'ers are current health club members, with another 13 million once having been card-carrying members. Engaging this generation is a priority to clubs as this group's beliefs, attitudes and perceptions are highly influential on American culture. Programs focused on wellness and cross-promotion with non-club activities (see following trends) will resonate with this group, as they are most concerned with frequenting health clubs for overall health and wellness and to engage in challenging activities that are of interest to them.

Trend 2

Cross-promotion With Non-Club Activities & Niche-Specific Facilities

Health club members are very active, using their clubs an average of 102 days per year, and they also participate in a variety of sports activities outside the club. Therefore, club operators and fitness professionals are increasingly offering workshops on functional training for sports, such as tennis, training for triathlons or marathons and skiing. Also, more clubs are taking those programs even further and specializing as a niche business (i.e. boxing, rock climbing and mixed martial arts based clubs).

Trend 3

Equipment Trends From the Ancient to the Cutting Edge

Kettlebells: What's old is new again. Originating in Russia in the early 1700s, Kettlebells have exploded into both the club and home fitness markets, as they have proven to be very effective for building strength.

Vibration Equipment: Exercising on a platform designed to vibrate at very high speeds is a hot trend that club operators and trainers were among the first to embrace. Makers of vibration machines state that these vibrations make for a much more effective workout. They have become very popular with professional sports teams, fitness centers, celebrities and elite athletes.

Human-Power: There is a rapidly growing number of health clubs and cycling studios where the cardio equipment is specifically designed to not only not require electricity, but to actually produce electricity as members exercise. The electricity generated is enough to at least partially offset the power required to run the televisions, fans, lighting and HVAC. This ties into the overall move towards "greener" business practices that many health clubs have adopted.

Trend 4

The Rise of Wellness Programming

Multiple research findings point to the need for and rise of wellness programming. 73% of US consumers consider being physically fit important to being "well" (The Hartman Group, August 2010). IHRSA research shows that seven out of ten health club members keep using their clubs for overall health/wellbeing. Harvard researchers expect U.S. obesity rates to reach 42% by 2050. According to

The Economic Benefits of Regular Exercise, an IHRSA publication, researchers have found that the return on investment among companies that offer wellness benefits ranges from \$1.49 to \$13 for every dollar invested. Wellness-oriented services in both the health club and the workplace are proven to help address consumer health goals, reduce the impact of obesity rates and improve business profitability. Wellness programming initiatives and



services include partnerships with local health care providers, workplace wellness facilities, personal training for special medical populations and nutrition coaching
 (See *IHRSA Trends* Page 29)

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24 Hour Fitness Announces East Coast Expansion Plans for 2011 to 2013

SAN RAMON, CA - 24 Hour Fitness, the largest privately-owned U.S. fitness club chain and a health club industry pioneer, announced plans for extensive expansion along the East Coast in 2011 and beyond. Investments planned for 2011 total more than \$100 million in new construction projects and existing club renovations. The aggressive growth plans promise to strengthen the company's footprint in New York, New Jersey, Maryland and Florida.

24 Hour Fitness Super Sport club openings planned for 2011-2013 will add over one million square feet to the current portfolio of clubs. Three of the newest East Coast Super Sport clubs will include:

Westchester County, N.Y.
Bergen, N.J.
Prince George's County, MD

Consistent with all 24 Hour Fitness Super Sport locations, each of

these new state-of-the-art fitness clubs will feature more than 200 pieces of strength training, functional and cardio equipment, basketball courts, swimming pools, steam rooms, saunas, whirlpools, a full range of group exercise classes, cardless check-in, iPad kiosks, babysitting and much more. Additionally, new 24 Hour Fitness construction projects currently planned along the East Coast for 2011-2013 include Super Sport clubs in Northern Virginia; Central New Jersey; Westchester County and Long Island, New York; Miami and Orlando, FL.

In addition, regional expansion for 24 Hour Fitness extends beyond building new club locations during the next couple of years and for the foreseeable future. "Reinvesting in existing clubs is a priority for us in order to ensure a consistent experience for our members across all 24 Hour Fitness clubs nationwide," said 24 Hour Fitness CEO, Carl Liebert.

Courtney Minor and Ron Alterio Join Visual Fitness Planner

FORT WORTH, TX - To keep up with rapidly-growing demand, Visual Fitness Planner welcomes former Gold's Gym and Elements executive Courtney Minor to their team as Regional Sales Director.

Courtney was in charge of creating and launching the franchise development department for Gold's Gym International where she was responsible for the sale of 98 Gold's Gym franchises her last year with the company, which required a minimum investment of \$2M. At the time of her departure, Gold's Gym was ranked #63 in Entrepreneur Magazine's Top 500 Franchises, up from #238 when she joined the company in 2002.

President/CEO, Daron Allen, said, "We're confident that Courtney's extensive experience in the fitness industry and business development will push the Visual Fitness Planner brand to even greater heights. The company is well positioned

as a market leader, and we're extremely proud of the fact that we're attracting some of the best executives in the fitness industry today."

Visual Fitness Planner also announced Ron Alterio has joined the company as Regional Sales Director for the Northeast.

Before joining VFP, Ron worked with countless health clubs, helping them maximize their sales and marketing efforts. Ron began his career early in the industry by working alongside his parents inside a small chain of women's only facilities in the early '80s. He eventually branched out from the family business to make a career for himself as a managing partner of a World Gym in Connecticut. After many years at the health club level, he went on to secure prominent national positions with both the Apex Fitness Group and The Thomas Plummer Company.

ABC Financial Services Joins PCI Security Standards Council

LITTLE ROCK, AR - ABC Financial Services (ABC), a provider of software and billing services in the Health and Fitness Industry, announced that it has joined the PCI Security Standards Council as a new participating organization. As a Participating Organization, ABC will work with the Council to evolve the PCI Data Security Standard (DSS) and other payment card data protection standards.

The PCI DSS requires merchants and service providers that store, process or transmit customer payment card data to adhere to information security controls and processes that ensure data integrity (www.pcisecuritystandards.org).

As a Participating Organization, ABC will now have access to the latest payment card security standards from the Council, be able to provide feedback on the standards and become part of a growing community of over 500 organizations. In an era of increasingly sophisticated

attacks on systems, adhering to the PCI DSS represents an entity's best protection against data criminals. By joining as a Participating Organization, ABC is adding its voice to the process.

"The PCI Security Standards Council is committed to helping everyone involved in the payment chain protect consumer payment data," said Bob Russo, General Manager of the PCI Security Standards Council. "By participating in the standards setting process, ABC Financial demonstrates they are playing an active part in this important end goal."

"ABC fully understands that trust and security are the cornerstones of our products, services, and custom relationships," stated Doug Elkins, Chief Information Officer for ABC Financial Services. "We are honored to be a member of the PCI Security Standards Council and look forward to working among the thought-leaders in the payment industry."

Dana Milkie Joins ABC Financial as Vice President of Club Support

LITTLE ROCK, AR - ABC Financial (ABC) is pleased to announce the appointment of Dana Milkie as Vice President of Club Support.

Milkie, who will be based in ABC's headquarters in central Arkansas, will oversee club support and franchise support in new and existing markets.

Schaller commented, "Dana's vast business experience and his expertise in the fitness industry make him a valuable asset to our team. I believe that he will be able to successfully continue the development of strong, supportive relationships with our clubs and we are excited to welcome him."

Milkie is experienced in both profit growth and operational efficiency. Since 2006, he served as Senior Vice President of Operations for a regional Gold's Gym franchise in the state of Washington. While with Gold's Gym, he increased profitability by over 50 percent,



lead a cost-savings project across three clubs and introduced a nutritional product platform that generated more than \$120,000 in revenue. Prior to his position with Gold's Gym, he held management positions with Brady Corporation, including Director of Sales and Marketing.

Milkie is a member of the American Society of Industrial Security and the North American Security Product Organization. He was the recipient of the 2009 Gold's Gym Personal Training Program of the Year and runner-up for the Gold's Gym New Club of the Year.

...IHRSA Trends

continued from page 28

for the overweight/obese exerciser.

Trend 5

Group Exercise Programming is Experiencing Phenomenal Growth

Group Exercise, both traditional aerobics and unconventional new classes, are as popular as ever among health club members. Group exercise classes with the largest growth rates are cardio-kickboxing,

yoga, high-impact aerobics, dance-style classes and strength training classes.

From 2008 to 2009, participation in cardio kickboxing was up 20.1%, high-impact aerobics was up 8.1%, low-impact aerobics was up 6.3% and step aerobics was up 4.5%.

Why? Socially based exercise is up. More clubs are offering group exercise (of all kinds). Based on survey responses from 3,306 IHRSA member clubs, group cycling is still growing, group strength classes have increased, and boot camp style programs are appearing everywhere,

from in-club sessions to trainers leading Sunday morning sessions in the local park. Also, Latin dance and nightclub-inspired workouts are appearing everywhere, not only in clubs but in church basements, school gymnasiums and corporate offices. Fusion classes that combine exercising, yoga, Pilates and dance are also a growing trend.

Trend 6

The Evolution of Personal Training

In 1999, 4 million Americans were using personal trainers. Now, that number

hovers around 6.5 million. Once thought of as only for super-rich, one-name celebrities such as Cher, Madonna and Sting, personal training is now the most commonly offered program in clubs, with over 90% of all clubs offering personal training of some kind. The main factor for growth, even in the recession, is the trend away from one-on-one training towards small-group or semi-private training to increase the fun level while mitigating expenses.

Programming Tip of the Month:

Exercise + Nutrition = Healthy Lifestyles

By: Sandy Coffman

This is the time of the year when "diet and exercise" are the main topics of conversation among your members, especially your *new* members. Very few clubs, however, have an *organized* nutrition and weight loss program to complement the many exercise programs that they offer. **There are great professional turn-key programs available to you which I strongly suggest you consider.** For example, with first-hand experience as a club owner, **Donna Krech's** weight loss and nutrition program, **Thin & Healthy** has already been proven successful and is available to you (See **Donna Krech's Thin & Healthy Ad** on **Page #21**). And, **Casey Conrad** has developed **Take It Off**, a diet and nutrition program designed especially for club use.

Have several other options for you to try on your own in my book, *Successful Programs For Fitness and Health*

Clubs: 101 Profitable Ideas. Remember, supplemental and promotional materials are also included in the CD at the back of the book. Most importantly, the book will teach you how to make every program a success and help make a difference in the lives of all your members. Read on.

The majority of people will find success in fitness if it is FUN, and GROUP programs are more fun than individual programs. Yes, even diet programs can be fun!

Admittedly, nutrition itself is not what we would call a fun topic, but if you apply the group concept and organize the program as outlined in the first half of my book, you will create a whole new programming department in your club that will grow your business and help people along the way.

The first thing to address is the *title* of the program. It actually may make or break your marketing plan. In addition, of course, to **Thin and Healthy** or **Take It Off**, here are a few ideas to think about:

- Pinch an Inch
- We're All in This Together
- Let's Do Lunch
- Diets Don't Work
- My personal favorite, **DUMP THE DIET.**

Description

DUMP THE DIET emphasizes a "lifestyle forever" approach to weight loss and can truly be a *club within your club*. Very importantly, it incorporates the exercise programs in your club that are already working.

1. **DUMP THE DIET** is generally for anyone interested in losing 10 to 25 pounds.
2. A group meets one time a week for conversation and education. Continually explore the pros and cons of the latest diet craze and books on the bestseller list.
3. Include cooking classes for group sessions, and have members bring in 100-calorie snacks.
4. Hold two exercise sessions each week; one cardio and one strength training, and hold your staff accountable for promoting and tracking performance.

Tips for Success and Points to Consider

- Have a pharmacist and/or doctor talk about supplements and drugs for weight loss.
- Have short (two-minute) progress reports from each of the group participants.
- Give prizes for attendance.
- Make a confirmation call to each participant before every meeting.



Sandy Coffman

- Gather menus from your community and discuss how to order and make substitutions.
- Periodic demonstrations are a must! Get a table, a chef's apron and hat, a blender and a hot plate, and you are ready to go. This promotion will be productive not only for your weight loss and nutrition programs but also for selling your cookbook as well (See the **Cookbook Program** in my book). It's terrific.

Have a happy, healthy and prosperous new year!

(Sandy Coffman is the Dean of Club Programming and the author of the book *Successful Programs for Fitness and Health Clubs: 101 Profitable Ideas*. To order Sandy's programming book, go to www.humankinetics.com. You can contact Sandy at slcoffman@aol.com or www.sandycoffman.com)

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Very Sincerely,

Norm Cates, Jr.

bodytraining systems



"I have never seen anything else in the industry have such a high impact on guest traffic, member retention, member satisfaction and profits. With BTS we've increased monthly group participation from 800 visits to 6,000 visits, added over 2,600 new members increased retention from 50% to 73% and increased profits by over 400%!"



John Bonica
Co-Owner, Global Fitness Centers

"We have learned the impact that marketing BTS programs can have on driving traffic into our clubs. We have advertised FREE classes to non-members in various media which has increased traffic by over 25%. On top of that, 90% of prospects who visit WOW! and experience a BTS program, join that day!"



Stephen S. Roma
Owner, WOW! Work Out World

"We began working with BTS in 2006 and within two years we had dramatic impact on our business. We went from only servicing 9% of our members in Group to 37%. Our retention rate for Group members has skyrocketed to 93%! And amazingly, by executing one of BTS' management principles of integration, we have developed a cohesive team of instructors and personal trainers. This has resulted in our PT revenue increasing by over 55%!"



Mike Silva
Owner, The Edge

"BTS is the single best investment I have ever made, not only in Group Fitness, but also for my club as a whole. It services our members, sells memberships, markets our club and motivates our members and staff, including me! BTS has enabled me to increase my membership price from \$30 to \$49 per month, and we no longer compete on price."



Jason West
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