

Norm Cates'

CLUB INSIDER

CELEBRATING 26 YEARS OF TRUST

Team Quest4ALS *Supercharging Augie's Quest*



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FEBRUARY 2019

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CLUB INSIDER

CELEBRATING 26 YEARS OF TRUST

Team Quest4ALS Supercharging Augie's Quest

By: Justin Cates

Heroes and Villains. Villains and Heroes. The comic book, television and movie universes have revolved around the classic dichotomy of two relatively simple concepts: Good and Evil. In the aforementioned lore of old and new, with good, evil rises in balance. In turn, good rises to create counter-balance. And, on and on we go into sequel after sequel, each usually worse than the previous. Thankfully, real life can be different... if we try.

At the 2015 *Bash for Augie's Quest*, an artist painted Superman on canvas as **John Ondrasik**, the incredible singer of *Five for Fighting*, sang *It's Not Easy (Superman)*. Having only taken five minutes to create, and I am sure a thousand

times longer practicing its creation, the painting went on to be the headlining item of the silent auction for the night, raising tens of thousands of dollars for **Augie's Quest**. Being there for that moment was incredible. And, I have no problem admitting that, for me, as tears ran down my face, it was the moment I knew ALS would be defeated... In my lifetime. In Augie's lifetime.

Villains rise because there is no one to defend whom they terrorize. As the villain that is ALS rose in **Augie Nieto**, he said, "NO," and became a superhero who would bring rise to a movement that has created defenses against the horrible disease. In time, his literal superhuman efforts will provide the cure, and thus, the ultimate defense against ALS. But, let us not forget Lois Lane!!! At the side of

every Superman is a Lois. Augie's Lois is **Lynne Nieto**. As his muscles gave out, she became his arms and legs. As his vocal cords could not resonate, she became his voice. No one ever said a Superman had to be a man. Thankfully, there is Superwoman.

The ultimate combination of **Augie and Lynne Nieto**, *Superman and Superwoman*, has taken ALS by storm! Tens of millions of dollars have been raised for Augie's Quest in order to cure this horrible disease. In turn, the incredible researchers at ALS TDI have created **AT-1501**, which is now in human trials. Just to even get to this point is promising, but the fight is not over! Every villain has a moment where they are on the ropes, but they fight back! That moment is now, but this villain (See *TeamQuest4ALS* Page 10)



Augie and Lynne Nieto

Kenneth O. Melby 1929 - 2019

Kenneth O. Melby, loving husband, father, grandfather, great grandfather and friend passed away *January 22, 2019*. Born *August 31, 1929*, in Holladay, Utah, to **Arnold W. and Ruth Clarkson Melby**. He married **Charlotte Bryner**, later sealed in the Salt Lake Temple after she passed away. He then married **Cheryl McRae**, later sealed in the Salt Lake Temple.

Early in his life, Ken, along with his brother, **Bill**, developed a love for health and fitness. This would eventually lead him to leave a secure job with the local power company to accept a management position with *Silhouette Health Spas*, a company owned by his good friend **Ray Wilson**. With

his strong work ethic and exceptional business sense, he would build a network of health clubs across the country and globally. Ken lived and breathed a healthy lifestyle and was able to enjoy 89 years of vibrant health. He developed many strong partnerships with exceptional people.

One partnership that has endured for 52 years is with his good friend, **Ron Hemelgarn**. They shared a rock-solid friendship that complemented each other's style and separate roles. Ron was the enforcer, and Ken was the quiet deal maker. Together, they expanded their health clubs to include real estate. Together, and separately, they developed many

beautiful projects.

Ken earned numerous awards and recognition during his life, but his greatest joy was being a father of eight children. He was a wonderful example of honesty and hard work. This, he passed along to his children. He was an advocate of positive thinking and practiced it every day. He always had a positive outlook and looked for the best in everything and everyone. He had a great sense of humor. Ken was fun to be with, and he loved telling and hearing a good story. Conversations were interesting and entertaining. He would often say phrases like, "perfect," and "I like it."

(See *Kenneth O. Melby* Page 6)



Kenneth O. Melby

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Norm's Notes

■Hello Everybody! This is your Club Insider Publisher and Tribal Leader Since 1993 checking in with our 302nd monthly edition! YAHOO! This being our 302nd monthly edition, an edition produced by a dude who flunked English 101 at N. C. State while he was playing college football, there is more proof there IS A GOD! Haha! I know in my heart that God smiles down on us every day as we work on this true LABOR of LOVE for you called Club Insider! As I write this, today's the day after the Super Bowl, and I sit here thinking back on what all the soothsayers out there are saying about the game on the radio... that Super Bowl LIII may just be one of the dulllest of all Super Bowls so far! Dull... smull... I say CONGRATULATIONS to the New England Patriots and to my friends in the Boston area who work for IHRSA or who own and operate clubs in the region.

■Is America a GREAT Country, or what? Hmm...hmmm...hmmm! We are very thankful to be Americans because we have such wonderful opportunities before us every day and new and more exciting opportunities just *keep on coming!* We are all blessed to be Americans!

■I'm sad to report that KEN MELBY, a long-time health and fitness club developer and owner, and a loving husband, father, grandfather and great grandfather, passed away on January

22, 2019. I want to extend my sincere condolences to Ken's wife, CHERYL, and their family for their huge loss. A Celebration of Life for Ken Melby was held Saturday, January 26, 2019. Check out the Obituary starting on Page #3, which includes the Eulogy by RON HEMELGARN, followed by comments from RAY WILSON and JERRY KAHN.

■RED LERILLE and his truly amazing club in Lafayette, Louisiana celebrated their 56th Anniversary on January 13, 2019. If you don't know Red, then you should. Red was Mr. America in 1963. Soon after that, he opened Red's in a converted 4,000 square-foot boot shop on January 13th, 1963. Congratulations to Red and his wife, EMMA, and their family, MARK, KACKIE, TINE' and STANLEY, as they all celebrate the 56th Anniversary of Red's! I also want to apologize to Red because I didn't call him on the phone on time last month like I always do to congratulate him every year. Nor did I publish this Norm's Note when I should have, which should have been in our January edition. I hate to be late doing things. Sorry, Red! I called Red last week to send CONGRATULATIONS to him and his family and to apologize for being late with my annual salutations for Red's gigantic health club, which is now over 250,000 square feet. I honestly think that, along with JOE CIRULLI'S Gainesville Health & Fitness, PAT LAUS' Atlantic

Club, the late DALE DIBBLE's Cedardale and JIM WORTHINGTON'S Newtown Athletic Club, Red's may well be the best in the world.

■Whatever you do, DO NOT MISS the 38th Annual IHRSA Convention and Trade Show coming to beautiful San Diego, California, March 12 - 16th! And, while you're there, please BE SURE to visit the following Club Insider Advertisers' exhibits:

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■Congratulations to the folks at MINDBODY, as their company has been named IHRSA's 2019 Associate Member of the Year! The Associate Member of the Year Award is presented annually to recognize an IHRSA Associate Member for their significant contributions to the advancement of the health club industry, as well as their support of IHRSA, its members and its mission through program and event participation, advertising and sponsorship. MINDBODY, a leading technology platform for health clubs worldwide, was selected as this year's honoree due to their outstanding



Norm Cates

achievements, innovation, continued investment in cutting-edge technology and support of the health club industry.

Congratulations to FRANCESCA SCHULER, CEO of In-Shape Health Clubs, as she will be honored as the IHRSA Woman Leader Award winner at IHRSA38 in San Diego. Each year, IHRSA celebrates the legacy of Julie Main by presenting the Woman Leader Award to a woman who exemplifies what Julie Main stood for: **courage, perseverance, excellence and professionalism.** Francesca Schuler's successful career as a marketing executive led her on the path to the fitness industry. Francesca has a

(See Norm's Notes Page 7)

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CELEBRATING 26 YEARS OF TRUST

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PUBLISHER and TRIBAL LEADER SINCE 1993 - Norm Cates, Jr.
PARTNER and ASSISTANT PUBLISHER - Justin Cates

PRINTING and MAILING SERVICES - Walton Press

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Marietta, GA 30068

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Proudly Published in The United States of America



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Launch Your Own Augie's Quest Fundraising Effort!

By: Mike Alpert

As the month of March approaches, I look forward to two things: MLB Spring Training and our annual IHRSA convention, especially when it is in San Diego, one of my favorite cities in the United States. Like many of you, the opportunity to meet old friends and make new friends, as well, as to soak in all the education I can makes IHRSA a can't miss event. Importantly, it also allows me to attend and support *Augie's Quest* on the Friday evening of the convention. That is why I want to dedicate this article to my dear friend and industry icon, **Augie Nieto**.

I have known Augie for 29 years, but it was in 2014 that I grew to respect and admire him in a much different way. Prior to that time, I knew him only as the *Founder and Owner of Life Fitness*, one of the world's largest manufacturers of cardio and strength equipment. He used to visit a club that I was running in Irvine, California. My recollection of him back then was of a man who dressed well, drove very expensive cars and definitely did not fly "coach" when traveling.

In 2005, he was diagnosed with ALS (Lou Gehrig's Disease). ALS is an absolutely horrible disease that affects approximately 5,600 people in the United States each year. It is a progressive

neurodegenerative disease that affects nerve cells in the brain and the spinal cord, eventually leaving the victim completely paralyzed, shutting down major organs and the ability to swallow and breathe. *There is currently no cure, and the expected life span of a person with ALS is 2 to 3 years.*

Over the following years, Augie began to experience these terrible effects of ALS: his speech became slurred and difficult; his muscles began to atrophy; he began having trouble walking; and eventually, he was confined to a power chair and able to communicate only through a computer that he controls with the balls of his feet. Each year that I went to IHRSA, I knew about his event (*Augie's Quest*), but I never attended it. Like I said, 2014 changed all of that for me.

Then, like I said, all of that changed for me in 2014 when Augie heard about *The Perfect Step at The Claremont Club* and came out with his caregivers for a visit. This is when I saw Augie as a human being who was very focused on making a difference in the world and was passionate about being able to help find a CURE once and for all for this horrific disease called ALS. He was putting his entire soul and brilliant marketing and business sense towards this goal.

Over the years, working relentlessly, he has been able to raise

over \$150 million dollars towards research at **ALSTDI** (ALS Therapy Development Institute) in Cambridge, Massachusetts. Through this effort, they have developed **AT-1501**, an antibody therapeutic with comprehensive and promising preclinical data. It blocks specific immune cell activation and may protect nerves against the progression of ALS. **And, now, it is in human clinical trials.**

As both Lynne and Augie have said for years: **ALS is not an incurable disease, it is an under-funded disease.**

Working together, we can bring an end to it once and for all. I am asking each of you who are reading this article to consider running a membership drive promotion or event to help raise funds. For the past several years, we have designated one month during the year where we allow prospective members and former members to join our club by making a \$100 tax deductible contribution to Augie's Quest instead of our normal Initiation Fee. When we do this, we typically sell between 150 - 200 memberships. People feel good about joining and giving back at the same time. They receive a nice break in price, and they are helping fund a great cause. People want good news, and they want to associate themselves with organizations that are doing good in their community.

We have been working with Augie



Mike Alpert, Claremont Club President & CEO

for the past five and a half years now, and as I have said in past articles, the results that he has had are simply astounding. His functionality, reduction of secondary complications, energy level and emotional wellbeing are all better than they were in 2014, and he continues to fight for the good cause. **Augie is proof that Exercise IS Medicine.**

(Mike Alpert is the President and CEO of The Claremont Club in Claremont, California. Mike can be reached at malpert@claremontclub.com.)

...Kenneth O. Melby

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Family trips with Ken were always fun, and Hawaii was a favorite spot. He also enjoyed going to Mexico. He loved fancy cars and had a collection of vehicles. He loved boating and going to Lake Powell on the family houseboat. All ages enjoyed going with him to water ski, jet ski and enjoy the grandeur of the outdoors. He enjoyed horseback riding at the cabin and acquired a Shetland pony named Goldie for the kids and grandkids to ride. Ken was concerned for everyone and always checked to be sure they returned home safe from a vacation or trip to the cabin. Ken made sure that each child knew he loved them deeply.

Ken's love for Holladay City, and making it a premier place for all who wanted to live or visit, was close to his heart. He enjoyed things of beauty and made them accessible for all to enjoy. This was one of Ken's greatest gifts. He truly cared about everyone. Ken was a friend to all. He gave freely of his wisdom and encouragement. He taught so many the importance of hard work, a good attitude, and most importantly, honesty. He gave a strong foundation for success to many that would follow his counsel.

Ken's excitement for life and sense of adventure will live on in all who had the good fortune to know him.

Ken is survived by his wife, **Cheryl**; children **Alan (Ulla Britta) Melby, Kathy Melby, Karen (Steve) Teerlink, Sheri (Blair) Fredrickson, Kenneth (Kristen) Melby, Kevin Melby, Jason Melby, Michael (Shana) Melby**; 18 grandchildren and 35 great-grandchildren. He is also survived by his brother **Bill Melby**.

A Eulogy for Ken Melby By One of His Best Friends, Ron Hemelgarn

"It was my good fortune to have met Ken Melby 52 years ago. We hit it off and almost immediately began building a rock-solid friendship and fitness business partnership that only grew stronger with each passing year. How many relationships can boast, 'no problems, no disagreements, just full steam ahead?' We loved being an envied dynamic duo. Ken lived and breathed a healthy lifestyle, and I am thankful he enjoyed 89 wonderful years here on earth for all of us to spend with him. He is gone from us now, but he lives on in our hearts and minds, never to be forgotten.

I respected Ken's honesty and positive thinking and admired his enthusiasm for life, topped off with a lively sense of humor... to match my own. In all our years as a team, his honesty was never questioned, his enthusiasm never lessened and he was always thinking and looking forward, excited about any new venture!

We complemented each other's styles and separate roles... I was the bull, the enforcer, and Ken was the quiet deal maker. For Ken to live each day to the fullest, working up to his last, is no surprise.

One of our greatest enjoyments each day was discussing our families. A devoted husband and family man, Ken made sure all his family knew he loved them deeply. He remained current with all that was happening in their lives and loved sharing their stories. His heart was full of pride for his family.

If you were fortunate enough to know Ken Melby in any regard, consider yourself lucky. Ken was a man from humble beginnings who achieved enormous success yet remained as humble and inconspicuous as anyone you might pass on the street. Ken was a friend to all, but to me, he was more... a unique and outstanding highlight of my life. I will miss him, and I will miss our daily phone conversations, the same time every day. But, why stop now? I am sure I will still talk to him... I know his answers by heart."

Comments About Ken Melby By Ray Wilson

I'm in shock. I'm going to do my best writing this, and you can use whatever you want. I'm very sad because we've lost **Don Wildman, Ron Thompson**, and now,

Ken Melby!

Ken Melby was my best friend, and we talked almost weekly. The last time we talked was six days before Ken died. He was in good spirits. He was looking forward to and planning to have two of his sons join him and his older brother, Bill, for a visit with me here in Mexico.

Because I think your readers will find it interesting, I'm going to go back over some of the history of my friendship with Ken Melby. I met Ken when my family finally got out of the cotton camps of Arizona and made it to Salt Lake City. My family was very poor... so poor that, by the time I was fifteen years old, I had never even gone to ANY school! The Junior High School there tested me for the 3rd grade, but they put me in the 7th grade. The kind Mormon teachers took turns after school tutoring me for two years so I could catch up.

I met Ken Melby my first day of high school. One day, Ken got into a fight with the biggest kid at Granite High School. Ken had the guy in a head lock down on the ground (Ken's big Brother, Bill, was Mr. Western America and a great wrestler, and he had taught Ken some wrestling moves). I became involved in the fight when a friend of the guy Ken was fighting tried to pull Ken off the guy, and to stop him from doing that, I punched that guy. From that moment on, Ken and I became friends for life.

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...Norm's Notes

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passion for developing people and creating opportunities for all levels and functions to build a career. Since joining In-Shape Health Clubs as **CMO in 2015**, Francesca's people-first approach to leadership earned her the **title of CEO** for the California-based club chain.

"I am incredibly honored to receive IHRSA's Woman Leader Award in honor of Julie Main. I am proud of the diverse group of talented women and men on our team and the work we've done to enable our passionate team members to not just work in fitness but to build a career in the industry. I'm inspired by all my peers and am motivated to continue cultivating our future leaders," said **Francesca Schuler**.

Congratulations to Midtown Sanctuaire, in Montreal, Canada, on their honor as IHRSA's Outstanding Community Service Award Winner, which is presented annually to an IHRSA member that has made a longstanding commitment to making a difference in, and beyond, their community. The impact of Midtown Sanctuaire's work in their community is far reaching. The club's commitment to increasing awareness of mental health issues and raising funds to support the **Montreal Jewish General Hospital Foundation and Auxiliary** is

one example of their passion. Midtown Sanctuaire annually hosts the hospital's signature **MINDSTRONG fitness event**, helping to raise **nearly \$4.5 million** to support mental health services in the last four years.

"It is such an honor to receive an award for something we are so passionate about. Partnering with the community is not only what we do but it also defines who we are," said **Diane Saucier, General Manager of Midtown Sanctuaire**. In honoring Midtown Sanctuaire with this award, IHRSA and the industry gratefully acknowledge **STEVEN SCHWARTZ, President and CEO of Midtown Athletic Clubs**, and the philanthropic philosophy of the entire company.

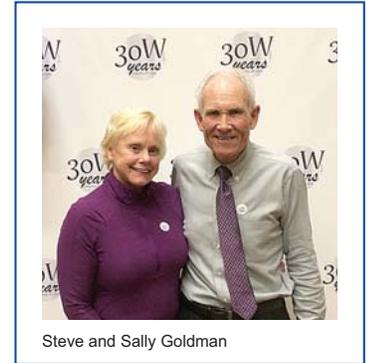
"On behalf of IHRSA and the entire industry, I am thrilled to honor these three outstanding IHRSA members and industry friends for their exceptional commitment and service to their communities, their customers, and of course, to the betterment of the health and fitness industry," said **JOE MOORE, IHRSA President and CEO**. The **IHRSA Awards Program** seeks to "recognize, celebrate, and inspire." For more information about IHRSA's annual industry awards, please visit ihrsa.org/awards.

■ **ERIC CASABURI, CEO and Founder of Retro Fitness**, announced the signing

of three franchises by **VINOD CHAND, JOE JACCORINO and BILL LOVING and partners** to bring multiple gyms to the **New York and New Jersey markets**. Each new Retro Fitness Gym will employ at least 25 people.

■ **Congratulations to STEVE and SALLY GOLDMAN**, as they're celebrating the **30th Anniversary of their Weymouth Club in Weymouth, Massachusetts**. The Goldmans and their Weymouth Club were our featured **Cover Story** for the **April 2012 Edition of Club Insider**.

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Steve and Sally Goldman

...Kenneth O. Melby

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My family was one of the poorest families in Salt Lake City. There were ten of us living in a small, two-room shack. Ken lived in a much nicer home, so I spent as much time with Ken and his family as possible. And, I went to the Mormon Church with them every Sunday. The Mormon Church, and Ken and his family, made me more stable. The truth be told, had Ken not been my buddy, I probably would have ended up in a juvenile home, or even worse, in jail.

Ken got married right after high school, so I started exercising and wrestling with Ken's older brother Bill. Bill got me into pro wrestling, and I went on the wrestling tour for a couple of years before my Dad passed away. My Dad died from a heart attack at age 48. Then, I had to go back home and help my Mother raise my seven younger brothers and sisters. I went to work for Bert Goodrich, a wonderful person who had been the first Mr. America.

Ken and I had a chance to catch up on things at our 10th High School Reunion, and by then, I'd opened my own chain of gyms and was doing well. So, at that reunion, Ken asked me how I thought he would do in my gym business. That conversation led to **Ken, Bob Rice** and I starting a chain called *European Health Spas*, which we ended up selling for \$46 million in 1970.

Ken Melby was, for sure, one of

the top people ever in our industry, and he will be greatly missed.

Comments About Ken Melby
By **Jerry Kahn**

Ken Melby and I worked for Ray Wilson and Bob Rices' Fitness organization, *American Health Studios/Silhouette Figure Salons* in the mid 1950s. We both started our own chain of Fitness Centers in the late 1950s. Ken was always positive and had a goal to obtain, and so did I! We competed in the health club industry during the 1960s in the State of Michigan.

Ken was an enthusiastic weight trainer. He amazed me and many of our friends with the great physique he maintained through the decades. Ken was a true pioneer and icon in the fitness industry!

Ken Melby will surely be missed.



I want to send my condolences to Ken Melby's Family for the loss of the head of their family. **May Ken Melby Rest In Peace.**

And, thanks to **Ron Hemelgarn, Ray Wilson** and **Jerry Kahn** for contributing to this Obituary for Ken Melby, one of the greatest health and fitness club owner/operators ever.

-Norm Cates

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...Norm's Notes

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■ **Matrix Fitness** has announced that **PHYLLIS DANNIN**, a fitness industry veteran with more than 25 years of experience in successfully managing sales teams and the country's largest national accounts, has joined its U.S. sales team as the **Vice President of Strategic Business Development**. In this new role, Dannin will work closely with the U.S. commercial sales team to support company growth initiatives with strategic national accounts and prospects **Good luck to Phyllis and**

the folks at Matrix.

■ **The Professional Tennis Registry (PTR)** has announced its **inaugural PTR Coaches Conference in Miami, Florida on March 20, 2019**. The Miami Conference is one in a series of regional education conferences that will be conducted across the **United States** this year. The one-day conference will be held at **Midtown Athletic Club in Weston, from 9AM - 6PM**, followed by a **social at the Miami Open**. An incredible speaker line-up includes presentations by **LEO ALONSO, THOMAS ANDERSON, INAKI**

BALZOLA, JORGE CAPESTANY, DEAN HOLLINGSWORTH, GABRIELA PAZ and **PATRICIA TARABINI**. For conference details, visit www.ptrtennis.org.

■ **LUKE ST. ONGE**, an old friend of many years since the **late 1970s** during the **Racquetball Club era**, is now the **Secretary General of the International Racquetball Federation (IRF)**, and he shared several news items with me about IRF's activities, including:

1. The **2018 World Seniors Racquetball Championships** was extremely successful with **17 countries competing**, and a **donation of \$10,000** was made towards the **Olympic Dream** and international enhancement of the sport.

2. The **XXX IRF World Junior Championships** were held at **La Loma Centro Deportivo in San Luis Potosí, Mexico**, featuring 200 young athletes from 12 countries, and it was highly successful.

3. In November, 2018, the **Asia Open** was hosted in **Japan** with **Egypt** in attendance for the first time.

4. **New racquetball courts** are being built in **Canada, Mexico, Costa Rica** and **Peru**.

5. The **2019 World Junior Racquetball Championships** were awarded to **Costa Rica** and the **City of San José**. This event has the full support of the **Costa Rica National Olympic Committee, the Government of Costa Rica, the Sports Authority of Costa Rica, as well as the city of San José**. Four new courts will be built to supplement the existing four courts at the venue.

6. In **Guatemala**, new courts are all but finished, bringing ten beautiful glass courts to support the development of racquetball. It's anticipated that this excellent venue will host many International and regional events in the future. The **City of Barranquilla, Colombia** was awarded the **2019 Pan American Racquetball Championships** to be held **Easter week in April**. This event is the final qualifying event for the **Pan American Games** to be held in **July 2019 in Lima, Peru**.

7. Final arrangements have been made for racquetball's inclusion as a full medal sport in the **2019 Pan American Games** in **Lima**. Four new glass courts, one of which is a four-wall glass court, will be built for the competition. Sixty athletes will qualify via the **Pan American Racquetball Championships** as previously above.

8. A planning meeting was held in **October, 2018** for the sports to be competed in **The World Games** in **Birmingham, Alabama**. Racquetball will have **32 athletes in singles**. A four-wall glass court will be reached by Birmingham for the competition to be held in **July of 2021**. The

International Olympic Committee will be in attendance to evaluate Racquetball for **future Olympic Programs**.

Luke wrote: "We hope you find this news exciting and encouraging, and we offer our heartfelt thanks for your continued support and commitment to Racquetball. I know you have all heard this many times, but without your support, the IRF cannot continue to develop racquetball towards the Olympic Program. We ask each of you to please consider a tax-deductible donation to the **International Racquetball Federation** and/or perhaps let your racquetball colleagues know about these efforts. Methods of donation could include mailing a check to **International Racquetball Federation, 1631 Mesa Ave., Suite A-1, Colorado Springs, CO 80906**, or you can go to internationalracquetball.com and donate online. **Thank you!**"

I want to Thank **Luke St. Onge** for this update, and I also want to urge you to consider this request from **Luke**. **Stay Tuned!**

■ **JUSTIN** and I want to say **THANK YOU** for reading **Club Insider!**

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■ **God bless our troops, airmen and sailors worldwide and keep them safe**. Thank you, **Congratulations and Welcome Home** to all of our troops who've served in **Iraq, Afghanistan, and around the world**. **God bless America's Policemen and women and Firemen and women and keep them safe**. **God bless you, your family and your club(s)**. **God Bless America! Laus Deo!**

(*Norm Cates, Jr. is a 40+ year veteran of the health, racquet and sportsclub industry. Cates is the Founder and Publisher of Club Insider, now in its 26th year of publication. Cates was IHRSA's First President, and a Co-Founder 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. In 2017, Cates was honored with Club Industry's Lifetime Achievement Award. Cates can be reached by phone at 770-635-7578 or email at Norm@clubinsideronline.com*)

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...TeamQuest4ALS

continued from page 3

cannot be allowed to rebound and win.

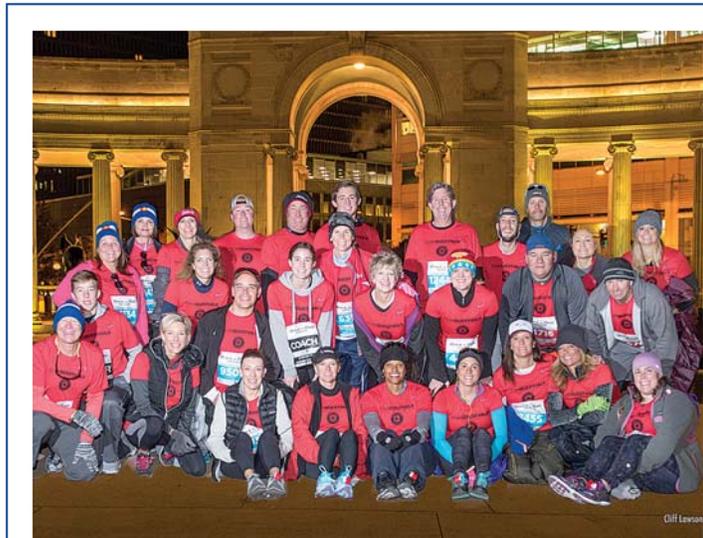
Supporting our Superman and Superwoman, the health and fitness club industry has fundraised like never before; it will go down in history! In terms of health and fitness club chains, our friends at **Workout Anytime** are **KAPOWing it** and **LA Fitness** are **WHAMing it!** And, of course, we would be remiss not to mention the incredible efforts of **Orangetheory Fitness**, where they are **POWing it!** You are all incredible! **KEEP IT UP!**

However, as an author who would like my article read widely, this story is not written for the chains of the health and fitness club world. This story is being written for the *Independent Owners and General Managers of Health and Fitness Clubs* across these great states. Many chains have done their part. Batman and Wonder Woman have come in to help their Super counterparts. What they need now is a future superhero they haven't met yet.

Of course, we aren't going to end the story there. We are going to help bring rise to the next superhero of the *Supermanly Augie's Quest* movement. It is called **TeamQuest4ALS**. Currently, it is a group of a few large but very independent clubs across the country that have bound themselves together to create action and accomplish the goal of defeating ALS. In the coming pages of this article, you will learn their stories and how you can join their ranks!

With upcoming superheroes like this, we know Augie can sleep well at night! He needs his rest for the upcoming final battle! We will all be witness to it but only if we ALL do our part!!!

WE WILL CURE ALS.



Club Greenwood TeamQuest4ALS

An Interview With Kevin McHugh, COO of The Atlantic Club

Club Insider (C.I.) - During its short history, TeamQuest4ALS' founding and fundraising results have been a great success. Please tell us about that.

Kevin McHugh (KM) - It all started with the *Augie's Quest Team*, *The Atlantic Club* and *Newtown Athletic Club* hosting the *Brooklyn Rock n Roll Half Marathon* and focusing all fundraising efforts on that event! At that event, we were also able to garner the support from *Greenwood Athletic Club in Denver, Colorado* as well as *The River Valley Club in New Hampshire*.

Following Brooklyn's success, we were able to launch **TeamQuest4ALS** nationally with the support of the *Augie Quest Team*. We were supported by **Jim Worthington** and *The Newtown Athletic Club*, where they hosted the *Philadelphia Rock n Roll Half Marathon*. **Paula Neubert** and the *Greenwood Athletic Club* launched the *Denver Rock n Roll Half Marathon* for ALS. And, **Pat Laus** and *The Atlantic Club* introduced the *Las Vegas Under the Lights Rock n Roll Half Marathon* with the support of **Ralph Rajs** and *Club Sports from California*. Lastly, **Larry Conner** and the *Stone Creek Club & Spa* completed the efforts of Year Two with the *New Orleans Rock n Roll Half Marathon*. Everyone played a major role in not only raising funds from their events but continued to build awareness on how we can all be a part of finding the cure for ALS!

C.I. - This year, the Team is back. Please tell us about this year's events and the hoped-for results.

KM - This year, we had Greenwood Athletic Club (Denver) repeat their Half Marathon efforts. Stone Creek Club & Spa (New Orleans) will be conducting their second Half Marathon. And, in April, The Atlantic Club and The Newtown Athletic Club will be co-hosting the Nashville Rock n Roll



Kevin McHugh

Half Marathon. It is looking to also be a very successful event to complete this year's activities.

Each year, we continue to build the movement and add new individuals to support the efforts to bring **AT-1501** into the market, as well as supporting all the other research efforts of ALSTDI. We all understand that this takes money, and everyone on TeamQuest4ALS is committed to finding the money needed to deliver on **Augie's Objective and Strategic Plan to End ALS!**

Another objective that we have is to continue to tell the story about what Augie's Quest and TeamQuest4ALS can do in the future... one individual at a time. You never know how one conversation may lead to a breakthrough. For example, last year in a car-ride from New Orleans to *Larry Conner's Stone Creek Crawfish Boil event* prior to the *New Orleans Rock n Roll Half Marathon*, I was in the car with **Shannon Shryne**, **Lynne Nieto** and **Jeff Van Dixhorn**, *CEO of Club Automation*. Jeff started to ask Lynne questions about Augie's Quest because he did not know much about ALS or the efforts over the years of Augie and Lynne in finding the cure for ALS. At the boil, Jeff told Larry, Lynne and others in the group that he wanted to host a *Crawfish Boil event* in Chicago!

Of course, Larry agreed, and we have a new sponsor for Augie's Quest. It is all about the *Power of One!* Who knows what else will happen when new people are introduced to Augie's Quest by Jeff in Chicago later this spring! I just look at Jim Worthington, Pat Laus, Paula Neubert, Larry Conner, Ralph Rajs in the TeamQuest4ALS effort and how these five individuals in an industry of hundreds of thousands are changing the world for those living with ALS.

C.I. - Kevin, you are so right about those five individuals! And, you need to include yourself! As for your new Team Member, that is excellent! It creates an even larger

web of people helping this cause. Speaking of getting new people involved, if they do not have their own fundraising program to benefit Augie's Quest, how can other clubs or vendor companies get involved with TeamQuest4ALS?

KM - It is simple. A great example are the clubs in the *REX Crew Roundtable...* There are many clubs that may not have the opportunity to put together a large fundraising effort but would like to get involved. For example, last year, **Aaron Moore** of *VIDA Fitness* in Washington, D.C. had a few of his members join our Atlantic Club Team in Las Vegas, and we made sure they felt comfortable and that everything was set up for them so that they would have all the same benefits of every member on the Team.

We have a great Team at Augie's Quest, led by Angel Moser and Kelly Campbell that will link a club that is interested in doing a fundraiser or participating in the *Augie's Quest Performance Half Marathon Fundraising*. All clubs that participate in TeamQuest4ALS will have open arms support for what they need. Our success lies in having as many conversations as possible with clubs to just start getting involved at any level. I can promise that it will be a rewarding experience for the club ownership, staff, members and community when you take that first step to being part of the *Cure for ALS!*

We also work to keep things very simple, creating the opportunity to participate at a simple event that can raise money, while at the same time, increase awareness and get new people involved. We don't know people's stories. Some may have a family member or someone else who needs help. We can help them get help, but at the same time, they may want to help and not know how to do it.

C.I. - Absolutely! And, what I find fascinating about this organization, which has sort of organically built itself, is the geographic reach it now has. You now have events across the country.

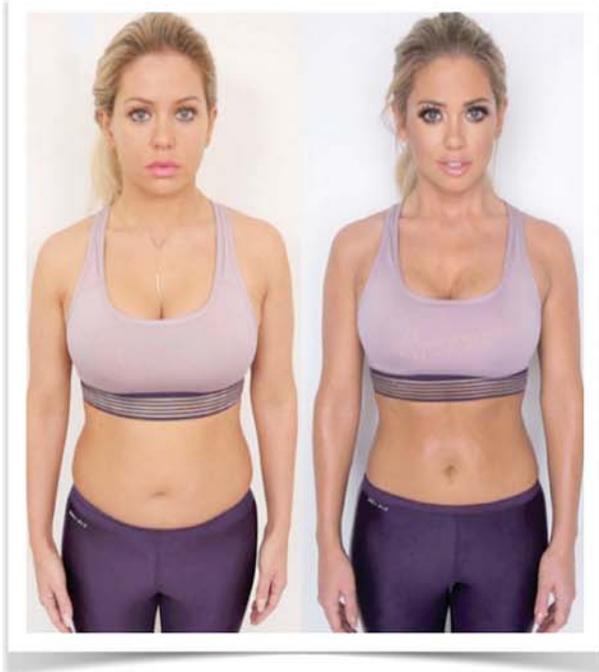
KM - It's fascinating, and it can be a little frustrating. We are getting movement as a group, but there are thousands of clubs in our industry with great club owners and operators. In the little niche that we have with TeamQuest4ALS and the other great clubs that are involved in the annual *Bash* and special events, as well as the money that this Team has generated, just look at the exponential impact it could have if more clubs would take a stand. Not only would it help ALS, but down the road, it could be another disease that we can positively impact when we are working on it as ONE industry.

Our industry is powerful, but we are not tapping into it as much as we can. (See *TeamQuest4ALS Page 12*)

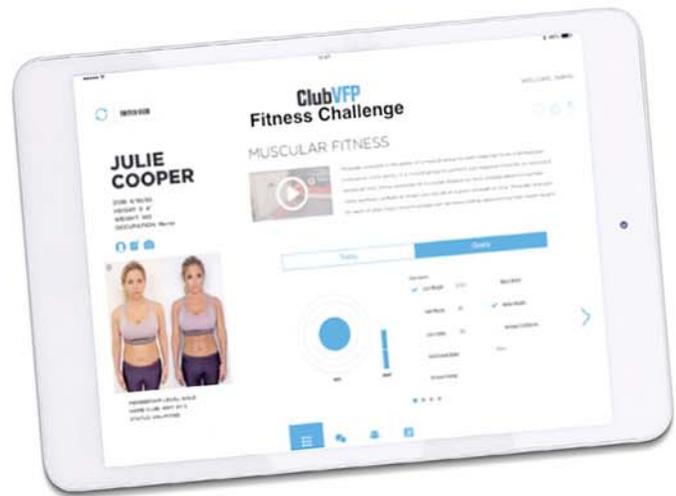
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...TeamQuest4ALS

continued from page 10

When you take a look at the entire industry as a whole, we only have a handful of clubs! These passionate individuals are making it happen. I would be remiss if I did not mention all the support that our REX CREW Roundtable, led by **Eddie Tock**, has provided over \$1 million during the past few years by working together and doing events and activities with each other's support, all to help secure the funding for AT-1501!

Passionate clubs create the energy, and donations just start happening. But, it's about creating that movement. If someone gives just \$10, that's phenomenal. Then, another person may donate \$1,000 or \$10,000... Or, how about \$4,000,000 when one individual, **David Hardy**, committed to get his **Orangetheory Team** to continue and further increase its involvement with Augie's Quest. You just don't know unless you're out there taking a stand.

C.I. - INCREDIBLE! Well, when all is said and done, and an effective method of prevention or cure for ALS has been created, what will be the legacy of organizations like TeamQuest4ALS that helped Augie's Quest find the cure for ALS?

KM - The army that Augie and Lynne have built operates as one Team with one purpose, and that is finding the cure for all living with ALS. We have many depending on our success that are living with ALS. They have placed their HOPE in us! When you have the membership numbers that we have in just the IHRSA Association of clubs --and the millions of members-- it doesn't take long to have the money needed to generate research when we all work as ONE! Whether it's the Augie's Quest Performance Team, the outstanding and passionate Bash Committee, or a club that did a special class for ALS, everyone will know they were part of finding the cure. We can never know what dollar it was that

made the difference. Everyone will be part of the legacy in finding the cure.

An Interview With Jim Worthington, Owner of Newtown Athletic Club and IHRSA Board Chairman

Club Insider (C.I.) - Last year's TeamQuest4ALS fundraising results were a great success. Please tell us about those events and their results.

Jim Worthington (JW) - TeamQuest4ALS has proven to be one the most successful and broad-based fundraising mechanisms for Augie's Quest to date. By enabling participants to raise money from their own circles of influence, through the TeamQuest4ALS online fundraising platform, the reach has penetrated a larger audience, resulting in a memorable experience with colleagues, friends and family. TeamQuest4ALS endurance run events take place in cities across the nation in partnership with the well-known Rock n Roll Marathon series.

We began with one event in Brooklyn in 2016 and then expanded to having Team Quest events in Philadelphia, Denver and New Orleans. This year, our signature event is taking place in Nashville the same weekend as the NFL draft in the very same city on **April 27, 2019**. **Pat Laus**, *Owner of the Atlantic Club*, originated the *Clubs for the Cure*, gathering clubs together to initiate fundraising events for Augie's Quest. Team Quest is an outgrowth of this. Along with us, Kevin McHugh, the Atlantic Club; Larry Conner, Stone Creek Club & Spa; and Paula Neubert, Greenwood Athletic Club have been some of the industry leaders who stepped up to the Team Quest challenge by creating their own Teams.

According to **Angel Moser**, *Director of Development for Augie's Quest to Cure ALS*, "Since its inception on October 8, 2016, TeamQuest4ALS has hosted eight events/races, which brought in



Jim Worthington

over \$1,320,700 for Augie's Quest."

C.I. - This year, the entire Team is back, and you have added a new Team member. Please tell us about this year's events and the hoped-for results.

JW - Yes, we are always excited to have new members on the Team who are strong players. As I mentioned, this year's main event is taking place in Nashville on April 27, 2019, the same weekend as the NFL draft and in the same city. We are hoping for a couple of hundred runners to surpass all other races and donating at least \$500,000 to Augie's Quest, maybe much more. Nashville, being a true celebration of music, culture and history will offer industry colleagues, leaders, families and friends a chance to gather there to have an amazing weekend of fun, celebration and camaraderie, all in the name of Augie's Quest. The weekend will offer a VIP Inspiration dinner, the race ticket, an airfare voucher, hotel accommodations and opportunities to see the city and maybe even catch the NFL draft. What other time will we all be in one place to experience the energy of our peers while doing so much good for an industry icon?

C.I. - If they do not have their own fundraising programs, how can other clubs or vendor companies get involved with TeamQuest4ALS?

JW - To participate in TeamQuest4ALS, you can join the NAC Team or start your own Team. For details, please reach out today to **Linda Mitchell**, *NAC Director of PR and Government Relations*, at linda@newtownathletic.com.

Linda Mitchell and Kate Golden are our NAC Team Co Captains and have been involved in our fundraising for several years. If you want to fundraise for Augie and have not thus far, NOW is the time to start. **Augie**, as *Chairman of the ALS Therapy Development Institute in Cambridge, Massachusetts*, is thrilled to announce the development of the promising new

drug therapy (AT-1501), which has just entered human trials. So, the money we raise now is more critical than ever to push this potential cure closer to the finish line. How can we be so close and let up on the gas now?

The Augie's Quest Team, specifically **Angel Moser**, who heads up the Team Quest initiative, is available to anyone to help them get started as well. Contact her today at angel@augiesquest.org.

C.I. - If a club or vendor company is trying to build a fundraising program of their own, what advice can you offer?

JW - Because I have been so visible in the Augie's Quest fundraising space for several years, I am asked this question a lot. My best advice to building your own fundraising program is to find folks in your club or community who are personally touched by ALS and work with them to brand your cause by putting a personal face on the issue. That's what we did with **Matt Bellina**, one of our members and a former Navy pilot with a wife and three small children, who was diagnosed in 2014 at the age of 31. When he became part of our mission, our fundraising increased exponentially.

My other piece of advice is to create events and experiences based on what you do best and what your members like to do to generate donations from not only participants but sponsors as well. All your vendors should step up to support along with community businesses who want exposure to your members.

Again, the Augie's Quest Team is an amazing resource for ideas and resources to get your fundraising started.

C.I. - When all is said and done, and an effective method of prevention or cure for ALS has been created, what will be the legacy of organizations like TeamQuest4ALS that helped Augie's Quest find the cure for ALS?

JW - Hopefully, TeamQuest4ALS will be remembered for stepping up in a time of true need to support industry icons Augie Nieto, and his wife, Lynne, who have devoted the last 13 years of their lives to finding a cure that may eventually save the lives of hundreds of thousands of individuals. To be even a small part of this Quest is truly an honor and a gift that inspires us to let go of our own lives, problems and issues, if only for a moment, and support a cause larger than ourselves.

An Interview With Larry Conner, President/GM of Stone Creek Club & Spa

Club Insider (C.I.) - When and how did Stone Creek Club & Spa get involved with TeamQuest4ALS?

(See *TeamQuest4ALS* Page 14)



Newtown Athletic Club TeamQuest4ALS

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"...in the first month, we made over \$250,000 just with the 20/30 program!"

We had just gotten back from IHRSA. The week before that, Aaron was sitting in bankruptcy lawyer offices. It was very scary at the time. We didn't know what our future was going to be.

I was terrified. We didn't have the money to do this license, and then the home office wanted me to come and ask these people that didn't have any money, to drop this amount of money on a 30-day program, because

at the time I didn't know it was a long-term program. They wanted me to do this and I thought, "Who's going to work this stuff and we're going to run a boot camp and I have a son, and we have a marriage. I don't even understand. Where is your mind in all of this?"



Jennifer Stafford - 20/30 Fast Track Licensee

"...now we have people that would have never stepped foot into a gym."

I had NO IDEA how simple it all really was going to be.

"Within the first year, we put over 1,500 people through the program..."

You actually get to DO the program before you introduce it to your club. So, I said, "If I lose 15 pounds, it would be a win. The first week I was down 13 pounds and super excited, pumped! and They said to me, "Oh, you've only got two pounds to go and you'll be at your goal." Of course, I'm competitive, so I thought, "Oh no, we'll see how far we can take this!" By the time I got to training, I was already down 20 pounds in two weeks!

"We produced 1.6 million the first year! It's just been phenomenal."

From that point, we got introduced the 20/30 program and in the first month, we made over \$250,000 just with the 20/30 program!

Our clientele now is completely different than the clientele we had before. We had people that were

interested in fitness, and now we have people that would have never stepped foot into a gym. They would not have even considered it. It was the last thing on their mind. They wanted to lose weight before they got into the gym.

Within the first year, we put over 1,500 people through the program, and it's just continued to progress. We produced 1.6 million the first year! It's just been phenomenal.

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...TeamQuest4ALS

continued from page 12

Larry Conner (LC) - The whole story with this has been special for us. We always did a small donation to an ALS group here, *No White Flags*, and you've written about that. So, for several years, **Shannon Shryne** at *Augie's Quest* and **Kevin McHugh** at the *Atlantic Club* had been asking me to try to do something with Augie's Quest. When we finally pulled the trigger and found a fit by doing it with the *New Orleans Rock n Roll Marathon*, it all made sense.

The biggest part of this was educating people. Unless you're immediately touched by this disease, you don't realize how horrible this disease is. When we were able to share that message with people, it really changed their hearts. Justin, you know this because you go to IHRSA every year, and you go to the Bash... When you're at the Bash, you get tears in your eyes. Here, we were able to translate that into a local version and get a lot of people understanding what is going on.

Whenever you do a fundraiser, in your heart, you want to do the best you can and get it going, but to get your Team's heart into it is a totally different thing. I didn't know if it would work. It might have been a one and done thing, but what made it so special was adding a New Orleans twist to it with the *Crawfish Boil*. People got to it with the *Crawfish Boil*. People got the message, and they loved the message.

C.I. - This year, the entire Team is back, and you have added a Team member. Please tell us about that.

LC - At last year's *Crawfish Boil* event, **Jeff VanDixhorn**, *Founder and CEO of Club Automation*, attended. He is someone who hasn't been around this, but he was moved by it. Jeff sat down with me about halfway through the *Crawfish Boil* and shared an idea for a future event. So, this year, in addition to our *Crawfish Boil* down here, we will be traveling to Chicago in May to



Larry Conner

have a *Crawfish Boil* event up there that will raise additional TeamQuest4ALS funds for Augie's Quest.

C.I. - Having personally tasted those crawfish, that's some exciting news! And, if that event is anything like the history of Augie's Quest-related events by all the organizations that have supported them, it will probably take off on its own!

LC - Exactly. I joke with **Marvin Gresse** (Assistant GM of Stone Creek), 'Maybe we can quit doing these races and just go around boiling crawfish for people.'

C.I. - You'd be in heaven! You'll need a different apron for each city (laughing)!

LC - Exactly right.

C.I. - If they do not have their own fundraising programs for Augie's Quest, how can other clubs or vendor companies get involved with TeamQuest4ALS?

LC - First of all, they need to contact Augie's Quest. The Team over there is awesome; they really are. We didn't start this thinking we were going to be involved with the *Rock n Roll Marathon*. The only reason we did that is because one came to New Orleans.

Without that, we wouldn't have been able to do that, so we were trying to come up with another unique event. I talked with Shannon a few times trying to figure out different things we could do. I talked to the *No White Flags* group to figure out something that might be able to benefit both groups. It started with that kind of involvement, but when the race came here, we said, 'Let's tag onto that and see where we can go with it.' So, talk to the Augie's Quest Team. Give them a call and let them help you figure something out. They have golf tournaments, concerts, all different kinds of things, and it's nice when local areas do their own unique versions of a fundraiser. Make it fun, and be passionate about it.

C.I. - Since you have now built your own fundraiser that is unique to your area. What advice can you offer when a club or vendor company is creating their own event?

LC - What we did made sense for us, and we talked to a lot of people about it. We like the marathons, but that's not really how we raise money down here. The way we raise money is with parties. Each year, we have a big one for Parkinson's that raises \$200k - \$300k... just with one event. Those kinds of events are good, but you've got to find what works in your area and what people on your Team can be passionate about and stand behind. Then, that will get other people fired up and willing to donate.

Of course, we all know that liquor and food bring more dollars (laughing). But, I feel it's so important that you start with something your Team can be passionate about. Talk to the group that is going to be involved, and if they don't have passion for it, it will be a waste of time. These things won't bring you any direct members for the most part. Most won't bring you direct accolades, but the ancillary feelings of doing the right thing, having your Team be passionate about it and making hearts feel good is what really works in this kind of situation. So, your Team has got to be behind it.

C.I. - When all is said and done, and an effective method of prevention or cure for ALS has been created, what will be the legacy of organizations like TeamQuest4ALS that helped Augie's Quest find the cure for ALS?

LC - When this cure comes out, wouldn't it be an amazing thing to say that you were part of it? That's pretty amazing, and without the things we are ALL doing, it wouldn't happen. To take a phrase from some old politicians, 'It takes a village.' Well, it really does. It takes everyone being behind this... people who are affected by it and people who aren't affected by it all working together for a common goal: *To cure this disease.*

To actually say I was part of that...

I would love that as a legacy or that of Stone Creek raising \$100,000+ in just a few years that went directly towards this. And, it's not only about the direct dollars... you don't know how many other people you are touching and what they might have done because you spread that knowledge to them. For example, **Jim Worthington** and **Matt Bellina** up in Newtown with the *Right to Try Act*. All of that is part of the same message: Helping people with these terrible, debilitating diseases. We have to do something to help, and I will just be elated when we find out the cure has happened.

An Interview With Paula Neubert, General Manager of Club Greenwood

Club Insider (C.I.) - When and how did you and Club Greenwood get involved with TeamQuest4ALS?

Paula Neubert (PN) - I sit on an REX Roundtable with Larry Conner and a number of owners and general managers of clubs throughout the country. One of the clubs is the *Atlantic Club* in New Jersey with Kevin McHugh. As you know, Kevin and Pat Laus have been huge supporters of Augie's Quest over the years. Kevin came to one of our meetings and had Lynne Nieto and Shannon Shryne present to us, talking about Augie's Quest and the idea of forming TeamQuest4ALS.

Many clubs have done a number of events, whether it was Zumba or cycling, to raise money. But, they were looking for something really big that could raise a lot of money in one chunk. They came up with the idea of a race and partnering with the *Rock n Roll Marathon*. So, they came to us and said they wanted to start with Brooklyn.

Ultimately, after Kevin presented, and talking to Lynne and Shannon, there was no way we could say no. So, we joined in right away and had a group of members, employees and friends who went to New York and ran the 2016 Brooklyn Half
(See *TeamQuest4ALS* Page 18)



Stone Creek Club & Spa TeamQuest4ALS



Paula Neubert

TEAMQUEST4ALS

RACING TO FIND A CURE FOR ALS



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...TeamQuest4ALS

continued from page 14

Marathon. We then did Denver in 2017 and 2018, and Nashville 2019 will be our fourth race.

C.I. - Greenwood's fundraising results for TeamQuest4ALS have been a great success. Please tell us about those as well as this year's events and the hoped-for results.
PN - We ran Denver the last two years. Part of the thinking was that doing a destination makes it harder to get a group of people to go, whereas doing it in our own backyard is easier. And, it really was a lot easier. In Brooklyn our first year, we raised just over \$52,000. In 2017, when we did our first race in Denver, we raised over \$90,000! So, we increased the number of people who were able to participate just because it was here. We stuck with that last year, though we didn't raise as much. Now, we are going back to a destination. We've run Denver two years in a row, so we thought: Let's do something extra fun and go somewhere people can get really excited about. Obviously, Nashville with its music and having the NFL Draft that weekend, we are really excited about it.

C.I. - If they do not have their own fundraising programs, how can other clubs or vendor companies get involved with TeamQuest4ALS?

PN - With TeamQuest4ALS, if they have people who want to participate, they can join any of our Teams. For example, here, we have people who are not part of our club or membership group, but they still joined our Team. They were touched by ALS in their life, whether it was a friend or family member, and they wanted to do something about it. They found out about us and joined our Team. Then, we got to meet them and now have a special bond with them because they were part of our Team. So, anyone out there can join a Team. The other way is just to donate to someone who is participating in the race... anyone's page or a Team page.

C.I. - When all is said and done, and an effective method of prevention or cure for ALS has been created, what will be the legacy of organizations like TeamQuest4ALS that helped Augie's Quest find the cure for ALS?

PN - To be part of something that can make a positive impact in so many people's lives is an honor and something I am very proud to be part of. The fact that there is actually a drug in human trials right now, and what they have been able to do to this point, is truly amazing. The one thing I've learned through this whole process is just how much money it actually costs. I truly had no idea what it takes, and I really don't think people know what it takes to do this. My education of the process has greatly increased. And, to know that our dollars were part of this is truly amazing. This is something I am very passionate about, and our entire Team is passionate about it.

(See *TeamQuest4ALS* Page 21)

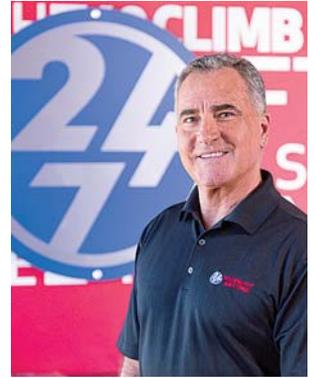
Workout Anytime's Fundraising Efforts for Augie's Quest

An Interview With Mark de Gorter, COO of Workout Anytime

Club Insider (C.I.) - When and how did Workout Anytime get involved with fundraising for Augie's Quest?

Mark de Gorter (MdG) - I've known **Augie Nieto** for almost 40 years. We started our relationship back in 1981 when I was working for the advertising agency that handled the Health & Tennis Corporation account (which was the company that later became Bally Total Fitness), and he was on his way to making Lifecycle a household name in our industry. We were about to shoot a commercial with Victoria Principal, and in typical Augie fashion, he found out about it through the grapevine and asked if I could get his bike into the commercial. Both of us being young guys, and looking out for each other, I was able to squeeze it into the final set with all the other equipment. But, the funny part about the story is that, as Victoria Principal was walking through the "club" on the set, she stops at the end of the commercial to deliver the punch line, and it just so happened that where we had her stop was directly in front of the Lifecycle, with some guy in the background peddling away. If you remember that very first Lifecycle, it was bright yellow and impossible to miss. So, as we locked on this final line, with at the time America's Sexiest Women, all you could see was this blindingly yellow upright stationary bike with the guy pedaling furiously behind her. That commercial ran across the United States for months, promoting our clubs and prominently displaying Augie's original bike. I would tell Augie all the time that, because of that early commercial, I was the one responsible for all his future success (laughs).

Our friendship started at that moment and continued throughout the years, even as I went on to work for other companies inside and outside the industry. Then, in 2008, as Augie was pouring his skill, intensity and relationships into finding a cure for ALS, I reached out to offer anything I could to help. He got me in touch with **Gretchen Simoneaux** and **Kelly Campbell** and invited me to join the Committee to support fundraising for the Augie's Quest Bash held annually at IHRSA. I've been privileged to have the opportunity to be working with a tremendous group of industry professionals ever since.



C.I. - Please take us through the components of this year's campaign, the results so far and the hoped-for results once completed.

MdG - Well, despite working with Gretchen and Kelly and the fundraising team for Augie's Bash, I had never been in a position to really leverage big opportunities to help raise money until I joined **Workout Anytime** as COO three years ago. The *Workout Anytime Founders*, **Steve Strickland** and **John Quattrocchi**, were also long-time industry friends of Augie, so getting involved from a corporate standpoint was basically automatic. But, we wanted to take it up a notch and do more. The challenge, however, was that most of our Franchise Partners were new to the industry, or younger operators, and didn't know the history of Augie and all that he's meant to our industry. So, to get them involved and excited, we developed a three-phased approach over a three-month period from November of last year through last month to engage our Franchise Partners, which we felt would then work to get them to understand the cause and help us drive more in the way of fundraising.

At the same time, the mother of one of our Vice Presidents had recently been diagnosed with ALS, so now, the disease was hitting home by impacting one of our Workout Anytime family members. So, to kick off our fundraising efforts, we announced Phase I of our plan by holding a 50/50 raffle during our annual Franchise Partner convention last November, where our Franchise Partners and Vendor Partners pledged money into a pot, of which half would go to the winning name and the other half would be split evenly between Augie's Quest and our Vice President, to help offset his mother's pending medical bills. By getting our Franchise Partners involved with an incentive, we were able to secure their participation. This also allowed us to tell the story about Augie, ALS and our quest to find a cure. We didn't raise a lot of money that night, about \$10,000, but we effectively kicked off our association with Augie's Quest and got our network up to speed on our role, and their role, to set the stage for Phase II and Phase III of our plan.

For December, having now communicated the cause and our role in helping support the cause, we expanded our promotional efforts by selling Holiday Gift Certificate stocking stuffers in the clubs, which provided 5 Visits for \$5, with all the money going to Augie and the team. It was actually an idea John Quattrocchi came up with. We were also very fortunate to have great Vendor Partners to also throw in. ABC Financial, Espresso Bikes, Pinnacle Signs and Render Advertising all contributed prizes to a contest we developed to help stoke the sale of those stocking stuffers. This time, through the efforts of our Franchise Partners in the field, we were able to raise over \$33,000 through the month of December by selling those 5 Visits for \$5 Gift Certificates.

Rolling into January, we took our efforts a little wider by offering a New Year's resolution membership promotion of \$1 to enroll in our clubs, again with the \$1 being donated to Augie's Quest. With January being the largest membership enrollment month for us, like most others in our industry, we are confident we'll be bringing home a meaningful dollar amount for research based on that promotion. We're finalizing our January audit now for memberships sold and will have those numbers in the coming weeks.

All told, we feel our three-month, three-phased promotional cadence of a 50/50 Raffle in November, Gift Certificate program in December and membership drive in January will together help raise in excess of \$50,000 to contribute to Augie and the team at ALS/TDI to help push AT-1501 deeper into distribution, which is the drug that is now moving out of research into a trial.

C.I. - If a club, club chain or vendor company is trying to build a fundraising program of their own, whether it be for Augie's Quest or another cause, what advice can you offer?

MdG - For starters, what we learned is ALS is not an unknown disease, and it's not incurable, it's just underfunded. We found so many people in our network that either had a relative that was suffering from ALS or knew someone that had contracted the disease. So, once we got the word out that we were working to raise money, it had a greater level of awareness than we originally thought, and therefore, getting people to jump in and help was not as difficult because there was a lot of positive energy to join in. We found people rally around a noble cause, so building the platform and communicating the social benefit is the first step.

Next, engaging our partners, who were only too willing to help, allowed us to create greater synergy and scale to each of the phases we developed in our plan. I can't say enough about the team at ABC Financial, Espresso Bikes, Pinnacle Signs and Render Advertising and their willingness to join in and help us for the cause. Finally, and I know it sounds trite, but anyone who knows Augie knows he's a 10X thinking guy, so we took the old, "think outside the box," concept to challenge our team to come up with ideas that could be relatively easy to execute yet work on a broad scale, which was in step with his spirit and thinking. Along with the support of his team, Gretchen and Kelly for starters, they helped us generate the horsepower and momentum to go beyond what may have thought possible.

Our industry is filled with creative marketers that can make a difference when they put their energy behind ideas, so, finally, throwing out conventional thinking to come up with something totally unique is an approach I find very prevalent in our industry, and one that can work if you let your imagination go. At least that's what happened for us at Workout Anytime.

C.I. - Do you have a message for Augie and Lynne Nieto that you would like to share?

MdG - Well, Augie and I communicate regularly so he and Lynne know how I feel. But, since you asked, what I will say is that all of us at Workout Anytime, from our amazing team at HQ to our tremendous Franchise Partners across the country are so proud to be part of Augie and Lynne's team, along with all the other industry professionals taking up arms for the cause. We're not going anywhere; we're already thinking about how to improve on the program for next year. We're committed to be at their side with the ultimate goal to put Augie's Quest 'out of business,' which would only then mean the objective of finding a cure has been achieved!

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Properly Classifying Workers as Employees or Independent Contractors

By: **Paul R. Bedard, Esquire**

The typical health club operates with a diverse group of people, including managers, personal trainers, group instructors, salespeople, childcare providers and more. The business bears the responsibility of properly classifying each of these people within each respective role as either an employee or an independent contractor. For employees, the business must withhold and apply payments for income taxes, Social Security, Medicare and unemployment tax. If the business is found to have misclassified an employee as an independent contractor, fines, penalties, interest, any employee benefits due, and even criminal charges may accompany the organization's resulting diminished goodwill.

Correctly classifying a worker involves analyzing three primary categories: *Behavioral Control*, *Financial Control*, and the *Relationship Between the Parties*. A fact-specific analysis is required in this respect. Although some scenarios present facts for evaluation seemingly in black and white, unfortunately, other scenarios present in shades of gray.

Behavioral Control

Behavioral Control refers to the degree of control possessed by the business as it relates to how the worker performs his work. When the business has the right to direct and control how work is performed, even in the absence of exercising this right, the worker in question will be classified as an employee. The *type and degree of instructions given*, the *presence of an evaluation system* and the *amount of ongoing worker training* are all factors that are taken into consideration when trying to assess behavioral control.

Type of instruction can include but is not limited to when a worker must report to work; where the worker must report to work; what specific steps, if any, the worker must take when performing work; what additional people the worker must hire or specifically assign to work; and what tools or equipment the worker must use while performing work. The greater the degree of detail within these instructions, the greater the degree of control within the instruction. With this increasing degree of control comes a correlating increasing probability that the worker is an employee.

Whether a *worker evaluation system* is present is also instructive. Independent contractors tend to be evaluated based upon the end result, whereas employees are typically measured by the end result as well as how the work in question is performed.

Another factor requiring consideration is *training*. Most businesses

invest heavily in employee training. When a business provides a worker with training, this reflects the business's desire to have control over how a job is performed. Initial, periodic and/or ongoing worker training is indicative that the worker is, in fact, an employee.

Financial Control

Financial Control refers to the degree in which the business has the right to control the financial aspects of the worker's position. Factors for consideration include whether the worker must make an investment in equipment utilized, whether expenses are reimbursed, the worker's opportunity for profit or loss, the worker's ability to offer his or her services elsewhere within the market and the method of payment to the worker.

When assessing these factors, employees tend to be freely provided with the equipment they use to perform their work, whereas independent contractors typically invest in their own equipment.

Employees are usually reimbursed for any expenses incurred while on the job, whereas independent contractors regularly incur unreimbursed expenses. Independent contractors tend to have the opportunity for profit or loss (to see increased profit or to suffer a financial loss on a job), whereas employees tend to receive somewhat stable and predictable compensation.

Independent contractors are typically free to offer their services to other businesses within the marketplace, whereas employees tend to work for one employer and often sign non-compete agreements as a condition of employment. Finally, employees are most often paid a salary, hourly wage, commission or some combination thereof, whereas an independent contractor is usually paid a flat fee for work performed.

Relationship Between the Parties

Relationship Between the Parties involves the facts that demonstrate how the business and the worker view their relationship to one another. This can be demonstrated through written agreements, employee benefits, the length of the relationship and whether the worker's services constitute a key activity of the business.

A written agreement may stipulate that a worker is either an employee or an independent contractor. However, the circumstances supporting this agreement must back up what's detailed in writing. A written agreement expressing that a worker is an independent contractor will nonetheless be deemed invalid if all signs otherwise point to an employer/

employee relationship.

Benefits such as vacation, health insurance, sick days, etc., point to an employee classification. Independent contractor relationships also tend to be intermittent or short-term, whereas employees are generally hired with the expectation that the relationship will be long and consistent.

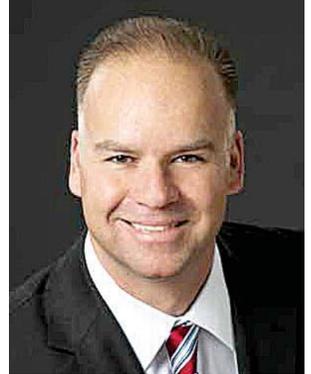
Finally, workers that provide key aspects of a business's services tend to be workers that businesses exercise great care and control over, and therefore, these workers are typically viewed as employees.

Reasonable Basis Test

When a business is charged with misclassifying a worker as an independent contractor, severe financial repercussions can be avoided if it can be shown that the business had a reasonable basis for the classification at issue. This safe harbor may occur when it can be demonstrated that a court or the IRS has previously ruled accordingly in a similar scenario; when it can be shown that the IRS has previously audited the business or otherwise previously communicated to the business that the worker was not an employee; or when it is clear that a longstanding and widely recognized practice within the industry of treating such workers as independent contractors exists. However, the analysis can get technical.

The IRS does offer online resources through its website to educate business owners and operators about proper classification of workers. However, there are many factors within each of the primary categories for consideration, and no one factor is necessarily determinative. After reviewing the relevant categories and consulting the resources available, if it remains unclear whether a worker is an employee or an independent contractor, the worker or the business can file a *Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding Form* with the IRS to seek a formal opinion in this regard.

Although the fundamental categories for analysis when determining



Paul R. Bedard, Esquire

worker classification appear to be simple and straightforward, the fact-specific analysis required often produces as many shades of gray as it does black and white. **Therefore, this article is not intended as legal advice. Please consider these comments as an educational guide when you consult your attorney for specific direction.**

(Paul R. Bedard, Esquire has nearly twenty years of management, leadership and operations experience in the health and fitness industry. As a practicing attorney, Paul's health and fitness industry experience provides him with a unique perspective when advising health clubs regarding employee training, handbooks, policies, contracts, disputes or premises liability claims. When not practicing law or spending quality time with his wife and daughters, Paul strives to be active in his local community. Paul serves as the current Assistant Town Attorney for the Town of Southington, Connecticut, and has previously served on the Southington Zoning Board of Appeals and the Board of the Central Connecticut Regional Planning Agency. Paul is also a partner at Sheffy, Mazzaccaro, DePaolo & DeNigris, LLP, in Southington, Connecticut. Paul may be reached at pbedard@smddlaw.com or 860-620-9460 x109.)

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...TeamQuest4ALS

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Messages for Augie and Lynne

To close each interview for this cover story, I asked the following question: *Do you have a message for Augie and Lynne Nieto that you would like to share?* These were the beautiful and inspiring responses:

Kevin McHugh - First, Thank you very much Augie, Lynne, and The Augie's Quest Team. Augie and Lynne have been such a great inspiration to me and all of us associated with finding the cure for ALS. They have given us a special gift by providing us the opportunity to make a real difference in the world and help those who need our support! The why is simple to all of us... because *We Can!* Augie and Lynne's passion is so contagious, and their unfailing commitment about what they do makes it easy for us to share that with others. The solution is simple... Let's all get more people involved and find the cure!

Jim Worthington - Augie and Lynne have inspired me to be a better man, for which I am forever grateful. They are changing the course of history by fighting so hard for a cure for this terrible disease, which is 'not incurable, but underfunded.' They have inspired not only me but countless others to reach for the stars with them, and in doing so, we have all been a part of something

much larger than ourselves. All I can say to Augie and Lynne is a profound and sincere thank you for all that you have given to us who admire and love you.

Larry Conner - You know, Justin, we are driven by their drive. We really are. When I get tired from these efforts --it takes a lot of time and a lot of effort from a lot of people-- I can't imagine doing that kind of stuff while also dealing with the disease itself... So, all I can say is that we are driven by their drive. We are passionate from their passion. That's what it's all about, and we will continue. We are behind them in this, and we thank them for what they have started and what they will complete.

Paula Neubert - I've told them this before, and I will tell them again: It is a great honor to work alongside them and all the people at Augie's Quest to find a cure for ALS. It will happen, and it will happen in his lifetime. He will see this happen. We have a mandate to him. We owe it to him, for everything he has done, to do our part to find this cure. It's so close. It's just right there!

Club Insider - Augie, please explain the

importance of one fundraising group, one club or even one individual raising money for Augie's Quest in the search for the cure to ALS.

Augie Nieto - *Every dollar matters in our Quest to Cure ALS, and our success is the result of so many individuals, clubs and leaders taking our mission to heart. The largest supporter of ALS research is the fitness industry... hands down. ALS robs people of everything fitness and exercise provides... personal health, wellness, independence, strength, endurance and mobility. ALS isn't incurable; it's only underfunded. We've had tremendous support from clubs, and those dollars have allowed us to get a promising drug into human trials. They've galvanized their members to give and to ask their friends to give. Every single dollar brings us closer to where we need to be. Thanks to this incredible industry I'm so proud to be a part of... there's HOPE.*

To join **TeamQuest4ALS** today, please visit tq.als.net. Every dollar counts!

To close this cover story, so many people helped create this article that the best way to recognize them all properly is

alphabetically (with one notable exception). Thank you to: **AUGIE and LYNNE NIETO, Angel Moser, Jim Worthington, Kevin McHugh, Kristin McConnell, Larry Conner, Linda Mitchell, Mark de Gorter, Marvin Gresse, Pat Laus, Paula Neubert, Shannon Shryne and Stephanie Coulon.**

Finally, let me direct you to **Page #6** of this edition because we've published a special article **Mike Alpert** has written about The Claremont Club's efforts over the past five years with Augie and Lynne Nieto and Augie's Quest. Thanks to Mike for that article contribution for this special edition. Mike Alpert is the *President and CEO of The Claremont Club* in Claremont, California. As always, thanks for reading!

(Justin Cates is a Partner and the Assistant Publisher of Club Insider and grew up in the health and fitness 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 that doubled as Club Insider Headquarters. He has lived and breathed this industry for 34 years, since his own day one. Cates graduated from the Terry College of Business at The University of Georgia in 2007 and then went on to two years at The Art Institute of Atlanta, where he studied Interactive Media Design. Now, he is an integral part of the "Story" of Norm Cates and Club Insider. Justin can be reached by phone at 423-314-4310 or email at Justin@clubinsideronline.com)

TEAMQUEST4ALS
 RACING TO FIND A CURE FOR ALS

How Technology Is Changing Club Design

By: **Bruce Carter**

We are all aware of the rapid changes in technology affecting our lives. Now, more than ever, there is a rapid escalation in the use of technology in clubs, providing members a more engaging experience. This is especially true if you want to attract the 20 - 40 age group, yet all members want the best possible solutions to their desire to look and feel their best.

All of these technological advances affect club design. If you plan

accordingly, technology will function more effectively, cost less and be an integral part of the excitement of a club.

Here are some key factors to consider when incorporating technology into a design, and they apply to any size or type of club, new or renovation:

1. The use of technology to enhance a member's exercise experience.

Keeping members aware of their physiology during a workout can add to the positive feedback of their progress. This

includes wireless and cloud technology for monitoring physical activity. Some types of equipment come with heart rate monitoring capabilities, and other options include the growing category of wearables. Often, this information can end up on a monitor as part of a class, and as a result of this type of technology, club design now includes a number of different monitors throughout a club.

Virtual workouts are growing in popularity and can add dimension to an instructor-driven class or take the place of an instructor. In addition, mobile apps can allow people to have immediate access to the photo and video content of a club, which means there are more "eyes" on a club than ever before.

Newer lighting designs involve combining a number of options that take exercise experiences to a new level. Lighting is evolving into such choices as having lights being able to go from one shade of light to another throughout the day.

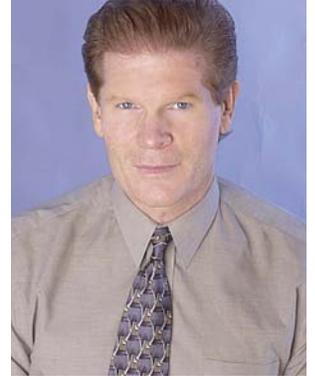
"Stage" type LED lighting can allow for complete changes of a room environment at the push of a button. A room can change to any desired color, from a soft soothing experience to a high energy experience. Now, easier than ever, the lighting can be attuned to music adding to the excitement and variety for a wide range of group and small group training classes. When used properly, lighting technology and the options that are now available are one of the fastest growing design trends with health clubs.

Here is an example of a design for a spin studio that incorporates the latest technology, allowing for a wider range of different spin class experiences:

In such a studio, assume that it would be a "dark" spin room with no light (indoors or outdoors) coming in to the space. First would be the lighting. Remote-controlled, dimmable track lighting provides for one type of lighting experience while also providing brighter levels for cleaning. Then, add "stage" lighting that allows for different variations of color, intensity and lighting "movement." Next, add a sound system and music that would be coordinated with the lighting for energy and variety. Then, the instructor, using a wireless microphone, instructs the class while controlling the music, colors and movement of the lighting. Now, add two monitors that would allow for the wireless technology of monitoring heart rates and other information. Possibly also add a large screen behind the instructor that can be lowered remotely and a ceiling mounted projector that can provide unbelievable visual experiences. All of this could be operated from a tablet or even a smart phone, eliminating the need to have the bulky equipment next to the instructor. This design results in a spin room that is incomparable in your marketplace and fully justifying the extra fees you may charge for such an experience.

2. The use of technology is enhancing club operations that have a direct relation to revenue and profits.

With the increasing desire for clubs to increase revenue per member, ancillary



Bruce Carter

revenue from different programs and areas is growing. Access control systems is the way to control the access to these different spaces, including RFID (Radio Frequency Identification), key fobs and key pads. Also, design may need to include secure data portals for tracking fitness regimens, especially as more healthcare providers will want this information. All of these have to be properly located with all the necessary electrical, cable and data hook-ups.

3. The use of technology adds to a member's overall welcoming experience in a club.

Clubs now need to provide club-wide high speed wi-fi and convenient locations to charge mobile devices. Kiosks and stations that show how to use equipment reduce the intimidation of equipment, especially when staffing levels do not allow for such.

A side aspect of technology is the need to have a décor unique and exciting enough to be "instagrammable" to post on social media, especially if you wish to attract younger demographics, such as millennials.

4. Making sure that all the technology choices are unobtrusively installed allowing for an inviting environment.

Coordinated with the fixtures and finishes of a facility, the more this type of technology looks "built in" and not just "added on," the better. This all presents an image of the "latest state of the art" experience.

Technology is making clubs better in many desirable ways. The key is to properly design everything in such a way that it significantly affects how a club functions while also taking members to new levels of rewarding experiences.

(Bruce Carter is President of Optimal Design Systems International and has been involved in over 800 design and consulting projects in 48 states and 33 countries valued at approximately \$1 billion. He has also been an owner and operator of a wide variety of clubs. He can be reached by phone at 954-888-5960 or by email at bruce@optimaldsi.com.)

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What is Holding You Back From Being a Better Manager or Leader?

By: Karen Woodard-Chavez

Being a manager or leader is most often a choice. Sometimes, it is not your choice, as you may find yourself thrust into a new position you do not really want. Hmm... something for you to ponder... do you *really want* to be in the management or leadership position you currently hold? It is not about doing what you think you should do but about doing the right thing.

My last two articles for **Club Insider** have been focused on how to effectively *deal* with having a bad boss and how to identify *if you* are a bad boss. In this article, the focus will be on what holds you back from being a better boss. The simple answer and reality is that what holds us back from being better is always ourselves. We have to be honest with ourselves to identify, understand and eliminate our blind spots. That is a bit of a conundrum in and of itself, as a blind spot is something that obscures our vision. We cannot always see that we have a blind spot. Therefore, it is helpful to earnestly ask for and really listen to feedback about how you lead or manage and what needs to change. You have to *invite* those conversations. When you *invite* them rather than have your staff finding themselves at the end of their rope and wanting to stage an intervention with you, there is a LOT less drama.

Let me give you an example... 28 years ago, when I was a much younger, less mature, and frankly, not a very compassionate manager/owner, I was holding a management meeting at one of my businesses. The energy in the meeting was not good, participation was lacking, and I could feel something was very wrong. Rather than continue on with the planned agenda, I paused and asked the group what was up. One very brave young manager said to me "**Karen, we love this club, but it is really hard working with you at times, and we all want to quit.**" I was quite taken aback. I had to pause for another moment to make sure I would respond appropriately rather than emotionally, thanked her for sharing that with me and assured them that the last thing I wanted was for any of them to leave the club.

As you might guess, the meeting took a very different direction in that moment. I invited them to tell me more. They shared with me that they felt I was intimidating, did not recognize their efforts and nothing was ever good enough. Wow, that was quite helpful feedback. I apologized to them, thanked them again and explained that the qualities they listed were certainly not what I was intending to do or be (a blind spot). We continued to discuss how I could act in a way that would be more effective for them. They shared with me what they needed, and I agreed to do my best to do that with them. I also asked for agreement that they would provide me with feedback on how the necessary changes were progressing.

That **verrry** difficult meeting was a turning point for me as a manager, leader and owner. And, it was a turning point for my managers, not only in that business but my other businesses as well. I am forever grateful for that opportunity. It taught me to be comfortable with being uncomfortable. **Note to Self:** When you sense something is wrong, do not avoid it; acknowledge it and work with it.

I share that example with you because it was difficult, and you do not have to go through that type of difficulty if you are proactive and invite your staff to provide feedback to you on what you need to do differently to be a more effective manager or leader.

I want to re-enforce that being better is a choice, and it is not always easy. Let's look at another perspective... the highest performing (and paid) athletes get to the level they are at by putting in a lot of hard work. They work at being better and being the best every day. Every day that they do not put their best practice in, they lose ground and move in the opposite direction. Why would it be any different with us in business and how we manage or lead our staff and the business? We have to have a consciousness and corresponding behavior about what we can do every day to be better.

Let's get back to inviting that potentially difficult conversation. You can schedule one-on-one meetings with your staff (recommended), or you can do a survey with your staff. Either way, do not be general with your discussion. Avoid, "How do you think things are going here?" Instead, ask specific questions such as:

- On a scale of 1 - 10, how well do I know the business?
- On a technical skill level, what do I need to improve upon?
- How well do I communicate with you? (scale of 1 - 10)
- What could be improved with my communication?
- How am I at making time to speak with you when you need my assistance? (scale of 1 - 10)
- How well do I walk my talk? (scale of 1 - 10)
- If I don't walk my talk, please give examples of how I may have let you down.
- What can I do differently to lead this organization to a higher level?
- What can I do differently to lead you to a higher level of satisfaction with your role here?
- What do you like least about working with me?
- What do you like most about working with me?
- Any other comments to help me perform more effectively?

Please know that, when you ask these questions, it is not interrogation. It is conversation. For example, on the questions that are on a scale of 1 - 10, when you hear whatever the rating is, invite the staff person to tell you more about that.

When my clients have asked these questions of their staff, they often hear the following about what their blind spots are:

- Lack of trust - the manager/leader does not trust the staff they work with to make the best decisions and/or the manager does not trust themselves to make the best decisions.
- Having to be right/having to be the one with all the answers.
- Fear of taking risks, making mistakes, failure.
- Lack of empathy, care for the staff.
- Resistant to change.
- Over think, over analyze.
- Favoritism.
- It is not okay to disagree with the manager/leader.
- Cannot provide feedback to the manager/leader.
- Lack of delegation.

Here are three critical points that are also a blinding flash of the obvious:

1. When you know what to work on, getting better is much easier. When you are in the dark and guessing, you will likely miss.
2. Don't *guess*... *ask*. Additionally, when you ask and get feedback, be grateful to the people who have given it to you as it is truly a gift.
3. Do something with it.

Clearly, there are many paths to becoming a better manager/leader. You can read, go to conferences, listen to podcasts,



Karen Woodard-Chavez

network, etc. but **always include** the "belly biology" method of getting down and dirty and simply asking the people you manage/lead how you can do that better in your business. That may be your most effective tool to understand what is holding you back from being a better Manager or Leader.

(Karen is President of Premium Performance Training in Boulder, Colorado and Ixtapa, Mexico. Karen has owned 11 different businesses, successfully sold nine of them and continues to operate two. Karen consults with and trains staff throughout the world on sales, complete communication, management and leadership. These services are offered on-site, online and through her books, manuals and DVDs. Karen can be reached at by phone at 303-417-0653 or karen@karenwoodard.com.)



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Getting Celebrities To Work For You:

Learn How To Appeal To The Hearts And Minds Of Celebrities Who Care About Fitness

By: **Nancy Trent**

Not so long ago, companies that wanted to sell their products hired authentic experts in the actual field they were trying to promote: authority figures, frequently acclaimed researchers or authors with advanced academic or medical degrees, who seemed incorruptible, ethical and thoroughly reliable. They possessed a high degree of credibility, and their own notoriety rubbed off on the brands they endorsed, either blatantly or subtly. They were, and many still are, powerful influencers of human behavior.

The explosive growth of social media has brought about a revolution, and those dependable credentialed "spokespersons" have been joined by a chorus of independent voices without traditional credentials whose power is consistent with their social media numbers. Called "influencers," their power is traceable to the number and influence of their followers.

There are different categories of influencers, but none of them have the reach and media appeal of celebrities. To

look as good as possible, they are often very involved in their fitness. Frequently, they are passionate about products, equipment, social or political issues, local roots, etc. These individuals are completely absorbed in their various interests, and if there is a connection with your product or training, let them know. They want to know... Don't make the mistake of overlooking their power, thinking they are not interested or not contacting them because you don't know how.

Smart fitness facility owners, trainers and brand managers pursue them for third-party endorsements to tap into their core audience, the same way journalists' "endorsements" are constantly sought after. Things are not always as they seem or as we think they are. The old saying, "perception is reality," continues to ring loud and clear. While how we describe ourselves is still important, when a celebrity publicly shares that he uses and recommends your brand, consumers really believe it, and sales figures prove it.

The "right" celebrities are seen by your customers as solid, dependable

sources of information. When they are liked and respected, they are seen as friends. Who do we listen to as frequently or as closely as our friends? We admire celebrities, and we want to be and look just like them. Who is more influential than those we see as having the lifestyles we want? Research shows that consumers believe that, "deep down, they are just like us." They give us advice we trust and can rely on. We aspire to live like the rich and famous, and the rich and famous aspire to be perceived as smart, savvy, healthy, fit and caring individuals who take care of their family and friends. If a celebrity does it, why wouldn't you try it?

Consider These Recommendations:

- For your brand, you need to be able to identify who the genuine celebrity influencers are for your target market and with whom you have commonalities.
- How can you partner with those celebrity influencers? Look for the synergies. Discover where the common



Nancy Trent

ground is, who your brand's mission blends with and what they are trying to accomplish. Use this to your advantage.

- What are the incentives that will resonate so they lend their support to your brand? Many relish the opportunity to gain even (See **Nancy Trent** Page 25)

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...Nancy Trent

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greater notoriety and would be happy to be an ambassador in exchange for the opportunity to obtain added publicity.

■ How can you increase sales through a celebrity ambassador program? Many ambassadors would love to increase their own income by selling equipment or services. Develop a system for tracking sales that is based on the ambassadors' direct referrals. It's easy for them to get credit if the consumer says your ambassador sent them.

Know now, celebrities are accustomed to free things... fashion, accessories, beauty products and services, cars, travel and more. Seeding starts with identifying the right celebrity and having a product or service that genuinely appeals to their hearts and minds. Few brands can come up with \$1 million+ in funds for a formal endorsement deal. The reality is that celebrities need to show their influence to get those endorsement deals, and they are willing to tout support of more brands than they get paid to tout to keep their credibility.

If their entire lives are sponsored, the sponsorships lose their impact, even when it comes to the Kardashians. They take very good care of themselves, and no matter who you are, that is not always easy. It requires constant research. They are always looking for the next best thing to make them look and feel their best. They may not pay for it, but they don't always get paid to use it.

Here are some tips for getting your product in the hands of the right celebrity:

Seeding - They need to try it to like it, so don't be shy about sampling. The cost of

goods is far less than an endorsement deal. You'd be surprised how many celebrities will openly thank you for a gift on social media.

Get Personal - Why are you selecting this particular celebrity? Let them know why you think they will like the product or service; don't assume it's obvious.

Create Opportunities - Celebrity use means nothing if no one knows about it. While they may not pose for an ad or do an interview without getting paid, if you have proof of a celebrity user, you need to alert the media. Remember, celebrity publicists are looking for positive coverage for their clients.

Find a Cause - Most celebrities are aligned with charities. Smart brands can find their way to celebrities through their causes, as long as they are relevant.

Be Realistic - You can literally shoot for the stars, but don't dismiss the up-and-comers. They are likely looking to make a name for themselves, and you will have a loyal celebrity fan as their careers develop.

Cultivating a Cult Following - Celebrities have a tight circle of friends they share their likes with. Getting one celebrity follower can lead to others.

Be Persistent Without Pestering - Don't forget to follow up, but do give celebrities and their handlers some time to respond. And, if you get rejected, move on. There are many more influencers to work with.

■ ■ ■

Getting a celebrity on board is a luxury that can catapult your brand to

stardom, but the only way to get there is through publicity. It's critical to have a PR campaign in place to spread the word about your celebrity followers, or it won't have an impact on your bottom line.

(Nancy Trent is a writer and speaker, a lifelong health and beauty advocate, a globe-trotting trend watcher and the Founder and President of Trent & Company, a New York-based marketing communications firm with an office in Los Angeles. Trent & Company, which launched many health and beauty brands, grew out of Nancy's personal and passionate commitment to

helping people live longer and healthier lives. A former journalist for New York Magazine, Nancy has written seven books on healthy lifestyles, serves on the editorial boards of several magazines and travels around the world speaking at conferences and trade shows on trends in the marketplace. She is a recognized expert in PR with more than 30 years of experience creating and managing highly successful campaigns. Nancy can be reached by phone at 212-966-0024 or by email at nancy@trentandcompany.com. You may also visit www.trentandcompany.com.)

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LA Fitness Uses New Technology To Add Member Benefits

IRVINE, CA - LA Fitness has begun supplying its California clubs with a new "recovery and relaxation" technology. Now, club members, in addition to building their bodies, can also address over-worked, over-stressed or just-plain-sore bodies.

A recent LinkedIn survey revealed that 54% of Americans suffer from musculoskeletal conditions. This new technology, built to address these conditions, is a "dry" hydro-therapy unit called *SolaJet*. It features a soft surface offering a relaxing, repair-and-recovery "experience" for tired or sore muscles, with pressurized warm water conforming to one's body.

SolaJet uses "waves" of heated water to effect deep-tissue penetration and a "flushing" action that promotes circulation, with recovery options ranging from "gentle

wave" to "deep tissue." It can target the entire body, front, back, and side. And, it can even be used while standing.

"I've spoken with our General Manager and our Vice President of Human Resources," says **Scot MacKay**, *Executive Director of Business Development for LA Fitness*. "The GM says every member with whom he's spoken is excited about the 'new toy' in the toolbox. The Vice President of HR echoed that sentiment. And, our trainers love it, too!"

The cost of a *SolaJet* therapeutic massage is only about 5% of regular massage therapy. And companies offering it are seeing sizable new revenue streams.

To accommodate the units, LA Fitness is creating a new "recovery" space called **BodyStop**.

How to Sell More Memberships, Even When You're Surrounded by Competition

By: **Casey Conrad**

Is the competition beating up on you and your salespeople? By far, the number one call I currently receive as a consultant is, "Can you come and train my sales staff how to effectively sell against competitor objections." Let's face

it, the competitive landscape in the fitness industry is at an all-time high. Regardless of the market size, there is competition. In larger markets, there will be several of the big box national brands, one or two of the smaller franchise concepts, a YMCA, one or two independent clubs, personal training facilities, yoga studios, CrossFit,

Orangetheory and any number of other boutique concepts. Some are franchises, and many are owner-operated. In smaller markets, there may be fewer players, but the landscape is the same; a lot of competition and choices for the consumer.

Of course, the price spectrum is extreme. On one end, you have the lowest cost competitor at \$10 per month. On the other end, you have group fitness studios averaging \$150 per month. In urban areas, you have concepts like Soul Cycle that charge upwards of \$35 per class. For many operators, it's a day-to-day struggle to attract new prospects because although competition has grown, the size of the market buying memberships has not kept pace. This means that there is essentially the same size pie, but a lot more mouths taking out a slice. The weaker operators will naturally go hungry.

The question that I ask every club operator who calls for help is, "What is it that makes your facility and services so unique that the prospects in your market are compelled to join your place?" All too often, I get uninspiring answers such as, "Well, we have better service," or "Our club is so much nicer than the others in our town." My reply, "So what?" "Better service" or a "Nicer club" is a pathetic answer. More importantly, it has absolutely no meaning to the average prospect.

Think about it. CrossFit locations are in industrial parks, quite often are dingy and drafty, have no locker rooms and no amenities, but they are attracting 200+ people from that town to give them \$150 a month. Moreover, there are a set number of classes each week and no traditional equipment. Clearly, the "facilities and service" aren't deterring these people from buying. And, although the CrossFit brand may attract a more serious, fitness enthusiast, there are many other knock-off models that appeal to an older crowd.

What CrossFit and all the other boutique models do really well is create a new market category. They appeal to a particular group of people and end up creating a tribe of followers. This approach allows them to break out of the mainstream of an industry and appeal to a niche that is willing to spend more money, even if it means there is less "stuff" in terms of the facility. Today, we call this creating a *Blue Ocean*, coined after the book with the same name.

In *Blue Ocean Strategy*, the authors encourage businesses to get out of the cut throat environment where an industry is acting like a bunch of piranhas all vying for the same customers. They refer to that environment as a *Red Ocean*. The premise of the book is that by finding a Blue



Casey Conrad

Ocean, where your products and services stand above and beyond the competition, you create a new market that allows you to determine your price instead of competing on price.

Bringing this all back to selling memberships, my question to operators is, "If you can't articulate a **Unique Selling Proposition** (referred to as a USP), what are your salespeople saying to the prospects?" It's kind of scary. So, if you want to increase your membership sales and make the price of your facility a non-issue, you are going to follow this 4-step formula. This formula works regardless of where your price point is, but it is particularly important if you are a mid-tier operator (\$30 - \$80 range).

1. Identify your USPs.

There are entire courses in marketing on how to go about identifying the unique elements of your business that are significant to your target market. **Jay Abraham**, a long-time mentor of mine spends hours with clients on this one element. He believes that, if you can't articulate your USPs, then you cannot make any meaningful marketing decisions. Having gone through an extensive branding exercise with my former franchise, I agree. For sake of this article, let me refer you to another marketing guru, **Dan Kennedy**, who asks one key question to determine a USP.

"Why should I, the prospect, choose to do business with you versus any other option available in the marketplace?"

If you want an "interesting" experience, hand this question to each of your sales staff and ask them to write down their thoughts. Have them do it on the spot, and do not allow them to have any interaction with other employees. The answers you will get might surprise you.

Once you get over the shock
(See **Casey Conrad** Page 28)

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and horror of what some of them might be saying (or not saying), spend some time working with the sales staff so they understand exactly what your facility's USPs are.

2. Practice clearly articulating those USPs in your sales presentation.

Once you have your USPs identified and written in a succinct manner, the next step is literally practicing how to discuss these things with prospects.

What is the language that is used? What are the questions during the qualifying process that set the stage for a discussion of a USP? This type of role playing is so important to the competency of your sales team. It won't happen overnight, so set up a training schedule. Be sure to choose the times wisely and have part-time staff in the house so they can cover walk-ins. Keeping everyone in the training will be the only way to ensure integration.

3. Create visual touring elements on the tour.

For the sake of our example,

let's suppose that one of the USPs of your facility is a fully-integrated new member launch. This means that every new member receives a 3D body composition, a meeting with a dietician and three orientation workouts with a fitness specialist. Therefore, every aspect of getting off to the right start is provided.

Better yet, your facility offers a 30-Day Money Back Conditional Guarantee, which states the following. "If, after completing all pieces of the launch process in the first two weeks and completing a total of 20 visits in the first 30 days, you are not happy with your progress, you have the right to ask for your money back." Now, I won't get into all the reasons why having this type of guarantee is a good business decision, but suffice it to say that, at my weight loss centers, we guaranteed 10 pounds of weight loss per month with very few refunds in eight years.

Although these are two awesome USPs, the way to make them work for the sales team and closing more sales is to increase the impact of the words and put them into a visual format. This would be accomplished with two things. First of all, coming up with a great name for the new member launch. Giving any type of system a name makes it a Noun, which becomes more powerful. Compare, "We give you a 3D body composition, a meeting with the dietician and three orientation workouts," with "Every new member receives our Right Start Launch Program, a \$329 value, for free as part of their membership."

Finally, turn that program into a visual poster that is graphically interesting as well as outlines the values of each element included. Now, have this poster framed and placed along the tour route near the fitness area. This creates the perfect touring stop, is visually interesting for the prospect and creates more perceived value!

Having several of these touring points that visually depict your USPs makes it easier for both the salesperson to give a dynamic tour and the prospect to fully appreciate why your facility is superior to others in the market.

4. Master how to deal with the price objection at the point of sale.

The last step in this process is ensuring that each of your salespeople is proficient at dealing with the price objection at the point of sale. Entire books have been written on this subject, but let's drill it down to a few specifics for our industry.

First, the ultimate issue for 99% of people who are using price for an objection is actually value. It's not that your facility is too expensive. The issue is that, in their mind, the value for what they believe they will get is not equal to or greater than the price they are being asked to pay. Therefore, the root of the issue is probably poor qualifying and touring skills. But, now that the prospect is at the membership presentation and bringing up "Price" as the objection, the salesperson must know the verbiage to use.

Although there are as many different scenarios as there are people, ALL successful verbiage for objections centers around asking good questions. Questions get the prospect to evaluate their decision-making process. Therefore, salespeople must learn to walk the prospect through an imaginary exercise weighing out the pros and cons of a fitness facility choice. This is a skill that takes time and focus to master, but it is so rewarding when mastered.

♦ ♦ ♦

Competition isn't necessarily a bad thing. What makes the Marriot a better choice is the comparison to Motel 6! Know your target market; identify your USPs; ensure your staff understands those USPs, can articulate them and has been given the touring tools to integrate meaningful conversations into every tour. When these things are achieved, selling against the competition becomes much easier.

(Casey Conrad has been a sales and marketing consultant in the health and fitness industry for 30 years. She is the author of numerous books and online training programs and speaks all over the world at industry events. Her newest book, Selling Against the Low-Cost Competition, Top Secret Strategies & Skills for Fitness Salespeople has just been released. To obtain a FREE copy of this book, please visit www.CaseyConrad.com/FreeSalesBook.)



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ABC Financial Services Acquires Brazilian Market Leader, Evo W12

LITTLE ROCK, USA and SÃO PAULO, BRAZIL - ABC Financial Services, LLC, announced that it has acquired Brazil-based Evo W12 Inovações Tecnológicas, South America's largest provider of club management software to over 2,700 facilities across 10 countries. ABC is the leading provider of software, billing, and membership services to over 7,000 North American commercial and franchise health and wellness facilities.

"We are incredibly excited to have W12 join the ABC family," says Paul Schaller, CEO of ABC Financial. "This combination will provide our new South America operations with payment processing, billing and payment facilitator competencies, while providing ABC and our customers with an international-ready platform for growth."

ABC's international office and W12 will combine into a single international subsidiary led by W12's CEO, Paulo Akiau. The new organization will oversee the continued rapid growth into the Central and South American markets as well as execute a strategy to expand ABC's operation globally. Paulo Akiau commented, "Our companies' shared core principles --customer-first culture, commitment to innovation, and focused market leadership-- were the driving forces supporting this transaction. I am proud to be leading this next phase of ABC's growth into the global market."

ABC is a portfolio company of Thoma Bravo and was represented by Kirkland & Ellis, Trench Rossi Watanabe, and Gill Ragon Owen. W12 was represented by Melcheds and Duane Morris.

LNK Partners Exits Investment in Fitness Connection

WHITE PLAINS, N.Y. - LNK Partners, a leading consumer-focused private equity firm, announced that it has sold Fitness Connection, together with its parent company, Titan Fitness Holdings, to affiliates of Roark Capital. Terms of the transaction were not disclosed.

Fitness Connection is a leader in the high value, low price (HVLP) segment of the fitness club industry. The company operates 41 locations in Texas, North Carolina, and Nevada. Under LNK and management's ownership, which began in September 2013, the company expanded significantly in new and existing geographic markets, while building and maintaining a culture of outstanding operational execution and customer service.

David Landau, a Partner of LNK, said, "It has been a privilege for LNK to partner

with the Fitness Connection team in building the company into one of the leading concepts in the HVLP segment of the fitness market. This sale represents an excellent result for LNK's investors, as well as a terrific outcome for the Fitness Connection team, and we are confident they will continue to be successful going forward."

Phil Howard, CEO of Fitness Connection, said, "The LNK team has been an extraordinary, value-added partner in building the Fitness Connection business, supporting the investments we have made in our unit expansion as well as the people and infrastructure required for continued growth. We could not have asked for a better partner for this stage of our journey as a company and management team, and their guidance has been invaluable in helping to position Fitness Connection for future success."

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Thanks and Appreciation

At Club Insider, we are excited to be in our 26th Year of this home-based health and fitness club trade publication! The thought that this publication was *founded to serve an industry I truly love*, and so that *I could become a Mister Mom for my son, Justin*, is still *intriguing and amazing* to us. I wish to extend our most sincere **Thanks and Appreciation** to everyone that's made this amazing 26-year run possible.

A very sincere **Thanks and Appreciation** go to **Rick Caro, Dr. Gerry Faust** and the **Faust Executive Roundtable #1** for helping me decide in 1993 what my home-based business would be. **Thanks and Appreciation** to my long-time friends, **Ron Hudspeth** and **Cathy Miller** of **Atlanta's Hudspeth Report** for the tremendous assistance they provided us during *our first eight years of publication*. **Thanks and Appreciation** to all of the folks at **Walton Press** in Monroe, Georgia. They've done an absolutely excellent job for us all these years and have printed every one of our **302** monthly editions! **Thanks and Appreciation** to all of our **READERS**. Sincere **Thanks and Appreciation** to our **Club Insider Advertisers**, past and present, for their kind and dedicated support of this publication. It's amazing to know that we have several advertisers with over a decade of continuous advertising with us. We also want to say sincere **Thanks and Appreciation** to all of our **Club Insider Contributing Authors**, past and present, who've contributed *thousands* of excellent articles to help our readers with their Best Business Practices. **Thanks and Appreciation** to **IHRSA** for all it does.

Sincere **Thanks and Appreciation** to my son, Justin, who started working part-time for **Club Insider** when he was just 8 years old (helping with mailings). This young man, pretty much behind the scenes for 26 years now, has truly been a fantastic partner for his Dad in **Club Insider**. Justin does our editing, publication layouts, all of our website design and maintenance, all of our bookkeeping and subscription processing work, as well as archive management and anything else that needs doing, including writing a majority of our cover stories each year.

Last, but surely not least, this writer who refused to fear failure when many told him he didn't have a chance of surviving the publishing business for even a year did survive. And, he would like to give sincere **Thanks and Appreciation** to the power that made that survival happen: **God**.

Very sincerely, with love in my heart for you all,

Norm Cates, Jr.

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