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CLUB INSIDER™
The Pulse of the Health and Fitness Club Industry

IHRSA's 35 and Counting!
The *VALUE* of IHRSA...

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CLUB INSIDER™
The Pulse of the Health and Fitness Club Industry

IHRSA's 35 and Counting!
The *VALUE* of IHRSA...

By: Norm Cates

Club Insider is very pleased to acknowledge and help celebrate IHRSA's 35th Anniversary! After having seen IHRSA in action again March 21-24th in Orlando, Florida, this author came back to his keyboard all charged up... *again*! That charged up feeling has happened every year for the 35 years that our industry's best friend, Rick Caro, and I have been attending IHRSA's Annual Convention and Trade Show. And, during these past 35 years, Rick Caro has continued to shepherd our great Association along the way, while at the same time helping hundreds of clients through his New York City-based Management Vision, Inc. club consulting company. Rick's guidance and input to IHRSA has been huge in the overall success of the Association. In addition to speaking at every IHRSA Convention on a myriad of topics along the way, Rick has produced 20 IHRSA Financial Panels, now always one of the highlights of the Annual Convention.

Our publication has been supportive of IRSA/IHRSA during our 23-year run, and we were helpful when, in 1994, the IHRSA Board of Directors, without sufficient consultation with the IRSA Members, voted 9-0 to change the Association's name to Exercere, which is Latin for "To Exercise." When the members learned of that change, they rebelled big time and sent many letters and faxes objecting to the move. **Club Insider** published a lot of the member's protest writings for three months in a row, and due to that barrage of objections from the unhappy membership, the IRSA Board voted to cancel the name change to Exercere. Instead, in June of 1994, the IRSA Board voted 9-0 to change the name again, but this time to change the name by adding the word "Health," making the acronym we all know now: IHRSA. Adding the word Health created a significant boom in IHRSA Membership because, before that happened, the health and fitness club operators of the world had always viewed IRSA as a racquet sports association. This gave our Association an inclusive identity of being for and available

*(See **IHRSA's 35** Page 16)*


Rick Caro

Newtown Athletic Club and Jim Worthington Raise Over $200,000 for Augie's Quest

By: Justin Cates

Augie's Quest, an organization that's leading the search for the Cure for ALS, has become an immeasurable force for good within our industry and the greater society in which we operate. In the eleven years since its founding, the Augie's Quest cause has raised more than $45 million towards finding that cure. Many have said that it is Lou Gehrig's disease, but when it is rid from this Earth, it will be known as Augie's Cure. Augie has been our General for the fight, but within that title are the soldiers helping to fight that war. One of those soldiers is Jim Worthington, owner of the Newtown Athletic Club (NAC), in Newtown, Pennsylvania.


Jim Worthington

Each year, Jim rallies his own troops for the cause, and the results have

*(See **Jim Worthington** Page 12)*

30 Tips for a *FUN* and *PROFITABLE* Club Party

By: Karen Woodard-Chavez

Member parties can be very powerful, cost effective events and can provide a quick return on the investment component of your club's promotional mix and retention program if properly produced. Some clubs have *GREAT* results. But, many clubs have disappointing results.

Remember that every member party is an *opportunity* to invite members, deepening those relationships, AND to invite guests and new member prospects to create relationships with them for the specific intention of creating sales within two weeks of the party. Never let us forget this important point that parties are about *BOTH* retention and new member referrals.


Karen Woodard-Chavez

Implement all points of the check-list below, without deviation, and you

*(See **Karen Woodard-Chavez** Page 14)*

Inside The Insider

Norm Cates' CLUB INSIDER
The Pulse of the Health and Fitness Club Industry

Norm's Notes

●**Hello Everybody! This is your Club Insider Publisher and Tribal Leader Since 1993 Checking In!**

●**Is America a great country, or what?**

●**IHRSA's 35 and Counting! The *VALUE* of IHRSA** and the wonderful accomplishment of **IHRSA's first 35 years in business is our very special Cover Story this month**. In this Cover Story, you'll hear from our long-time friend, **RICK CARO, the man my son, JUSTIN and I call Uncle Rick**, who has shared his memories of our Founding of IHRSA and his thoughts about the first 35 Years. For your information, in past writings and in this Cover Story, I've also referred to Rick as **"Our industry's best friend"** because that's the flat out truth. Also, we reached out to IHRSA Members for their comments on **The VALUE of IHRSA** and we present those thoughts as part of our Special Cover Story celebrating IHRSA's 35th Anniversary. **Prominent past and current IHRSA Board Members weighed in** with comments, including: **current Chairwoman, MOLLY KEMMER; Board Members MISSY MOSS and JIM WORTHINGTON; and past Board Members, Board Presidents or Chairmen: CECIL SPEARMAN, JOHN DOYLE, DR. ART CURTIS, RICK BEUSMAN, BRENT DARDEN, BILL McBRIDE** and **GALE LANDERS** also pitched in along with a group of others. So, starting on **Page #3**, you'll see my **Introduction, Rick Caro's comments** and **comments from a wonderful group of IHRSA Members. Enjoy!**

●**Congratulations to RASMUS INGERSLEV of Denmark**, as he's been elected to serve as **IHRSA's Chairperson for 2016/2017**. After serving on the **IHRSA Board** for several years, Ingerslev will assume the **Chairman's role on July 1, 2016** after **MOLLY KEMMER, the third female to serve as IHRSA's Chairperson steps down on June 30th. Best of Luck to Rasmus and Molly!**

●I would also like to **Congratulate STEVE CAPEZZONE**, *CEO of New England Fitness & Wellness*; **JASON REINHARDT**, *Owner and Founder of Go M.A.D. Fitness*; and **ANASTASIA YUSINA, *President*** *of Fitness System Holding, Founder of Orange Fitness and City Fitness Health Clubs, and developer of the Gravity Studio microGym concept in Florida*, as they were all nominated and elected to **IHRSA's Board of Directors at the IHRSA Convention in Orlando**.

●**FUN!** *One of my favorite subjects in life is right here:* **FUN!** And, I write this **Norm's Note** for *one specific reason;* that is to draw your attention to our long-time **Club Insider Contributing Author, KAREN WOODARD-CHAVEZ'** article this month starting on **Page #3** entitled **30 Tips for a *FUN* and *PROFITABLE* Club Party**. Karen's article is an *excellent guide* for a club, or really, ANY party planning and production, and I urge you to read it and put her ideas to work in your club. While her article is quite thorough, I also want to add one item to it, and that is that I would suggest to all of you that, if you have not already established monthly **Member Appreciation Parties**, give that idea some consideration. You may and should employ every one of **Karen's 30 Tips** for planning and production of monthly Member Appreciation Parties, and I promise your results will be terrific!

●Let me make *a comment that's been on my mind for a couple of years now.* For those of you who've not walked your club(s) lately, you might want to do so... do so just to watch what's happening out there... that's right... what's *happening there*! In case you've not noticed, your members and guests these days are so *wired up* and focused on their gadgets, devices, ears pieces, etc. that the health and fitness clubs of today have become extremely insensitive environments where the typical focus is on a gadget, not on the presence of and interaction with another human being... human beings who in the *Good Old Days actually talked to each other and to club staff*. **What a concept!** I dare you to open your eyes, walk your club and YOU tell ME if I'm wrong.

The world's health clubs have become **Meccas for robots, not for people. Sad but true.** And, this is an even better reason to have a **Monthly Member Appreciation Party! Haha!** At that party, if you throw one, I would also suggest that, for the duration of the party, you consider a 'Cell Phone Checkin Area,' where members and guests can securely store their cellphone so they can interact socially with each other. **Tell them you're doing it just for the FUN of it!** And, for goodness sake... if you try this... **get back to me on your results**. I would really like to share that experience with everyone. So, do it and write to me about your experience at **Norm@clubinsideronline.com**.


Norm Cates

●I received a nice email from my long-time friend **SANDY COFFMAN**, who is retired now and lives in **Bradenton, Florida with her husband Bud**. Sandy

*(See **Norm's Notes** Page 7)*

About Club Insider

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"Insider Speaks"

The Health Club Industry is a Mess!

By: Thomas Plummer

The health club industry is a mess! And, if you aren't making money, then it is customary to blame someone else for your current lack of success.

In the late 1940s, we blamed the first commercial guys for ruining the physical culture gyms. The first commercial guys blamed the first chains for ruining their businesses in the '60s. Those guys blamed the first Nautilus guys for ruining everything good about the gym business. Those guys then blamed the rise of the full service commercial gyms for ruining the Nautilus purity.

We blamed the early Gold's guys for ruining the racquetball palaces. We blamed World Gym and Powerhouse for upsetting the Gold's dynasty. All those survivors blamed Curves for the 30-minute circuit. Curves plummeted because it never innovated. And, every old school mainstream chain or business in the last 15 years has blamed the $10 guys for destroying the mainstream business or the CrossFit rise for killing training.

Now, we see the ascension of the modern training gym, and this new concept, along with the $10 guys, have completely destroyed the $39 guys and that concept of mainstream in the middle.

But, what if all this is wrong? What if it isn't unfair business but just the natural evolution of the industry? And, most importantly, where is this evolution today, and where will it be in five years?

Here are the keys to this discussion:

•The industry is no longer one industry, but it has split into two completely separate aspects not even remotely compatible.
•The $39 mainstream concept of the big box, 1995 business plan with a sea of equipment, old school group exercise, specialty programming and the sales team from hell is dead.
•All trends point to an evolutionary dead-end for one segment of the market. Evolve or die has never been truer.

The industry separated into two parts and no one noticed...

We are not one industry with many separate players; we are two completely different segments that are rapidly moving further apart. The mainstream fitness players are on one side of this split, while the next generation training gym is on the other. At first glance, it appears we are all on the same side, but look carefully and you will see a divergence that is widening every single day.

The mainstream players:

Lower the price: Get more members is the business plan. Lose those members and then replace is the operating strategy. Price determines the client, and the cheaper the price, the more the traditional client; the one who wants nothing but cheap and will leave you for cheaper, the happier those cheap clients become.

These companies are in the equipment rental business. For a monthly fee, you gain access through the front door, where you can use whatever programming you paid for that month. They are not in the fitness business since so few members get any help or achieve any results over time.

Programming is the answer to everything to these players (this is the most overlooked but most important part of this mindset). If the new member acquisition rate slows down, buy more equipment; that promises to be the answer. Add new classes, add new rooms in the back taunting the latest fitness fads, react to your competitors by copying everything they do that you think makes them money and cram as much as you can that hopefully appeals to the widest range of possible clients into one giant box.

It is all about price and features. Who in this class can offer the most stuff for the lowest price? Sales are aggressive, marketing is all price-driven, support service is marginal and the belief is that we are only one piece of perfect equipment away from capturing all those lost members.

Next generation training gyms:

It is all about results. The belief for this gym owner is: maximum results, for maximum clients, in the shortest period of time, and then build a gym around this premise.

Good training gyms aren't about money; they are about results, which enables this group to charge as much as 20 times more per month per member than the chains and often even higher.

It is never about programming to these owners. It is about learning how to get results. Education for the coaches, meaning new techniques, replaces the need for magic equipment. Coaches rule where sales people once dominated.

Size is increasing in this class. The newest training gyms are now up to about 16,000 square feet and even bigger. They can be opened for about a fifth of the cost of an equivalent mainstream gym, operate at half or less, generate the same revenue with 300 clients that a mainstream player gets from 6,000 and has a profit margin of over 40% compared to the 7% you might see in a mainstream facility.

The harsh reality is that these two segments are no longer in the same industry. The mainstream players sell access and use programming to keep their clients happy. The training gym businesses sell results and use education to drive the results.

Take a look at the latest IHRSA show, and you can see this happening right in front of your eyes. The mainstream suppliers, such as the large equipment companies, are buying each other and downsizing. As the chains shrink and stumble, the days of that $500,000 equipment order taken over the phone is getting somewhat rare.

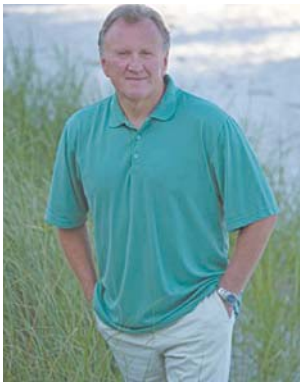
But, there was a new segment of the show that was startling. Look at the number of companies represented at this show selling primarily functional training equipment?

The difference is the mainstream players look at this equipment and want to add it to a backroom, or worse, create an outdated corral for their personal trainers to use for that 5.6% of their clients who pay for help.

Nothing says you don't understand a single thing about the current state of training in this country more than creating a backroom full of equipment restricted to a few clients and a handful of trainers. This type of training **is not** a form of programming, but rather, a complete shift that defines the end of one segment of the business and the beginning of another, although training gyms have been sneaking up on the industry since 1996.

The end of the $39 player...

On the low end, you have the saturation of the $10 gym category. There are simply too many players seeking too few potential members, and this class will suffer in the near future. And, if all you have is price to sell, where will you go when times get tough? If you live by price, you die by price, and when a competitor destroys your advantage in the market by underselling, you let the price wars begin. Think $10 is the bottom? Think again as there are already gyms selling 2-person memberships for $10.


Thomas Plummer

On the high end, you have the training gyms, whose owners constantly seek a higher price. Most successful training gyms, such as a 5,500 square foot gym doing $1.4 million with 380 clients, averages about $280 - $320 per month per client. As this category matures and the gyms get larger, the average will drop slightly to about $200 - $250 in most markets, but the number of clients will rise to about 800 or higher.

So, if you have $10 on the bottom, and lower, and an average of $300 a month or higher on the high end, where does the mainstream, everything-to-everyone, 40,000 foot box fit? It doesn't.

The next class that is developing is the $19 full service gym that offers everything the mainstream $39 guy does, but with an emphasis on layered pricing that allows this gym to show low but average high. This gym, for example, might offer $19 for simple access, then $39 for group exercise, then $89 for team training and then $129 - $229 for small group intensive coaching.

So, are we at the end of an era where the fitness businesses have evolved away from the gross volume approach to a results driven surge? Yes, and no.

This is where the two segments have separated far enough apart to form entirely new industries. Consider this:

•The mainstream market has its own trade shows, such as IHRSA; its own education; its own magazines and its own heroes.
•The trainer world has its own education; its own shows, such as Perform Better Summits; and its own heroes. How many mainstream operators know who Dan John, Gray Cook, Mike Boyle, Mark Verstegen, Alwyn Cosgrove or Lee Burton are? How many trainers know, or care, who any of

*(See **Thomas Plummer** Page 12)*

...Norm's Notes

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wrote to tell me that the **Wisconsin Athletic Clubs (WAC),** originally the **West Allis Athletic Club**, where she gave her famous seminars, including one that I attended in 1978, are celebrating their **Inaugural HALL OF FAME Awards on Sunday, May 1st in Milwaukee**. There are now **six WAC Clubs**, and **KEITH NYGREN**, the principal owner, has invited her to be their **First Hall of Fame Inductee**.

Sandy wrote in her email to me: "I was there 40 years ago at the groundbreaking and continued to develop the racquetball program (Ladies Plus). God blessed me with the wonderful career that ensued for me after 12 years as their Program Director."

Sandy's **PROGRAMMING FOR PROFIT** enterprise was born at the WAC, and Sandy's career soared. Here's a rundown of some of the honors she received through the years. Early on in the industry, she was named IHRSA's number one presenter in content and presentation. The **European BODYLIFE Conference** recognized Sandy as **EDUCATOR OF THE YEAR**. The **Canadian CAN-FIT-PRO Conference** presented her with their **DELEGATES' CHOICE AWARD**, and later, they presented her with their **LIFETIME ACHIEVEMENT AWARD**. The **ITALIAN FITNESS FEDERATION** named her their **2001 INTERNATIONAL FITNESS SPEAKER of the year**.

"One of the most valuable relationships I've had was with you, **Norm Cates**, and your **Club Insider!** You've been an asset to the industry. **I am honored to be a part of the WISCONSIN ATHLETIC CLUBS' 40th ANNIVERSARY CELEBRATION**." After nine years, Sandy's book, **Successful Programs for Fitness and Health Clubs: 101 Profitable Ideas**, is **still** selling! **Congratulation Sandy!** And, folks, *to order Sandy's Book, go to* **www.HumanKinetics.com** and click on **Bookstore**.

●This announcement is from **IHRSA's MEREDITH POPPLER:**

On April 14, 2016, **IHRSA Launched a Tax Weekend Challenge, April 15 - 17th, to Support Incentives for Physical Activity**. The challenge is intended to increase support for two bills in **Congress**, both of which were *designed* to use the **tax code** to encourage exercise: the **PHIT Act (the Personal Health Investment Today Act, H.R. 1218 / S. 2218)** and the **WHIP Act (the Workforce Health Improvement Program Act, S. 2296)**. The campaign was launched to coincide with the federal tax-filing deadline, which for most Americans was April 18, 2016 (filers in **Maine** and **Massachusetts** had an April 19 deadline). **IHRSA encourages the fitness industry to voice its support for these two pieces of legislation that would make physical activity more affordable and accessible for all Americans by sending an electronic letter to their elected officials**.

IHRSA's HELEN DURKIN, Executive Vice President of Public Policy, commented, "Legislation like PHIT and WHIP form the gateway that leads to a healthier nation. Passing these bills would advance opportunities to make fitness all-inclusive, regardless of an individual's financial standing or access to the amenities provided by health clubs."

The PHIT Act would allow citizens to use **flexible savings accounts (FSAs)** and **health savings accounts (HSAs)** to pay for health club memberships and other fitness expenditures, such as fitness equipment, exercise videos and youth sports league fees. Individuals would be able to use $1,000 pre-tax for these expenses, and families would be granted up to $2,000. Under the existing law, pre-tax medical accounts can only be used for expenses like prescriptions and doctor's visits.

The WHIP Act would prevent employees who are offered employer subsidized health club memberships *from paying a tax on the benefit*. Current law imposes the income tax on the value of the membership, unless the fitness center is located on-site. Its passage would renew opportunities for engagement and new membership, as 82% of Americans say that they would exercise regularly if their employer subsidized a health club membership.

IHRSA's goal is to send 1,000 messages of support to Washington D.C., emphasizing the importance of and the benefits associated with creating and maintaining healthy lifestyles. To send your message, please visit **bit.ly/clubinsider15**.

Durkin added, "Additionally, IHRSA would like to thank the sponsors of PHIT and WHIP. We appreciate the efforts of **Senator John Thune of South Dakota** (PHIT), **Congressman Charles Boustany of Louisiana** (PHIT) and **Senator John Cornyn of Texas** (WHIP). Their unwavering commitment to advancing legislation that promotes healthy behaviors demonstrates their loyalty in helping us secure the future health of this country."

Meredith Poppler also informed me that, due to the new efforts and initiatives with the **Industry Leadership Counsel (ILC) at IHRSA Orlando, 17 brand new ILC members have signed on this year!** Folks, I've said it before, but let me say it again... **ALL of you** really should wake up and smell the roses *when it comes to realizing how important the ILC work is on your club's behalf!* **The fact that IHRSA's Legislative Department has a 118 to 3 Win/Loss record in fighting State Legislation that could be harmful to health clubs did not happen by accident! It happened because of IHRSA's HELEN DURKIN and MEREDITH POPPLER and their Team's hard work in this realm and with the support of just a FEW IHRSA Member Clubs. We need MORE SUPPORT for this. ALL club owners should join ILC**. Contribute what you can afford to contribute, even if it is just $100 a year, and again, that may be done by getting in touch with Meredith at **mpoppler@ihrsa.org** or contact **SUZANNE TRAINOR, IHRSA's Public Policy Assistant**, at **smt@ihrsa.org. Stay tuned, Folks!**

●**Congratulations to JENNIFER URMSTON**, as her **Sports & Fitness Insurance Corporation** is celebrating **30 Years insuring the fitness industry! Jennifer's Dad, JOHN URMSTON**, was a friend of mine, and he worked with **GLYNNE SIMPSON** to start the business. After he passed away, his daughter, Jennifer, stepped in and is doing a great job with the company. **Check out the Press Release on Page #28**.

●**AL TASSELL**, a **28-year industry veteran** and **owner of PUMPS - Real Fitness for Women in Woburn, MA**, has signed on as a **Business Consultant** for **JEFF RUSSO's Pro Fitness Program. Thanks to Al** and to all of you folks who sent in comments for our **IHRSA Cover Story** this month!

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...Norm's Notes

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●**Motionsoft**, in a continued effort to make its iconic software solution more user friendly, has announced the release of the world's first *soft technology software solution for the health and fitness industry*, the SOFTER Soft Software line. SOFTER Soft Software or S-cube is the ultimate club management software companion for the modern front desk staffer. Check out the **Motionsoft Press Release** on **Page #10**.

●**Club Insider** friends **WILL PHILLIPS** and **ED TOCK** and their **REX Roundtables for Executives** are proud of its members' accomplishments at **IHRSA 2016 in Orlando**. They write:

•Mike Alpert and the Claremont Club were given the Outstanding Community Service Award by IHRSA.
•Rasmus Ingerslev was elected as incoming Chairman of IHRSA's Board of Directors.
•Daron Allen and Visual Fitness Planner, a REX Trusted Supplier, was given the IHRSA Associate Member of the Year.
•28 REX members gave 23 sessions at IHRSA 2016 in Orlando.

The REX Members that spoke at IHRSA included Shawn Stewart, Mike Alpert, incoming IHRSA Board Chairman Rasmus Ingerslev, Past Chairman Robert Brewster, IHRSA Board members Jim Zupancic and Larry Connor, Karen Raisch-Siegel, Daniel Gonzalez, David Patchell-Evans, Shannon Malooly, Frank Lawrence, Kevin McHugh, Lisa Gorsline, Philip Pandy, Mark Miller, Janet Cranston, Scott Gillespie and Maria Miller.

The REX Team Members that spoke included REX Founder Will Phillips, Brent Darden, Eddie Tock, Justin Tamsett and REX Trusted Supplier Daron Allen.

The topics included Social Media, Leadership, Hospitality and Customer Service, Profitable Growth, Technology, Programming, Financials and KPIs, Retention, Selling PT, Member Loyalty and Sales.

●**Congratulations to DAVID PATCHELL-EVANS who was honored at IHRSA Orlando with the 2016 Canadian Fitness Industry Leadership Award** by the **Fitness Industry Council (FIC) of Canada**. This award is given annually to a FIC member who has, throughout the years, proven to be an industry leader while operating a fitness facility.

●This from **Club Insider Contributing Author, STEPHEN THARRETT**, who has spent a considerable amount of time doing business in the health and fitness club industry in Russia:

A new chain of health clubs, **Encore Fitness**, is proud to announce the opening of its *flagship fitness center* at the **Moscow City OKO tower**, effective July 2016. With **3,900 square meters** of floor space, the slick, ultra-modern two-story club will become the largest and most elegant fitness club in Moscow City. The club has **8 fitness zones**, designed based on the latest global trends and innovations.

Thank you Steve, and **congratulations to Encore Fitness**.

●**It's headlines like the following** that our industry **DOES NOT NEED! "New Jersey Division of Consumer Affairs Announces Actions Against Twenty Health Clubs for Alleged Non-Compliance with Consumer Protection Laws."** Folks, I've said it before, and I'll say it again. And, I will say it over and over and over. **Our great industry depends on TRUST from the consumers of America, and a headline like the one I just quoted diminishes the TRUST the professionals in our industry have with the American Consumer. That diminished TRUST, invariably, will result in diminished business, not just for the violator, but for EVERYBODY around who ARE in compliance with Consumer Laws. I don't care who you are or what kind of business you operate, a club, a manufacturer or a vendor, no matter what you do in our industry, without TRUST by American Consumers, you are in trouble!!!**

And, those of you who've not read anything I have ever written about **TRUST** and how bad operators in our industry mess it up for **ALL of US**, let me point you to our **Club Insider Archives**, where you will find plenty. For starters, I'd strongly recommend that you read our **August, 2009 Edition** with our **Cover Story** entitled: **TRUST!** Go to **www.clubinsideronline.com/archives**. And, I take my hat off to the **State of New Jersey** and to their **Consumer Affairs Department** for going after 20 club operators who've been found to be failing to comply with Consumer Laws governing our industry in that State. For those of you whose club names appear on the list, I have one thing to say: **Wake up and realize that you are not only hurting your own future, with your operations, but you're hurting the *future of everybody* who owns and operates a health club anywhere! Straighten up and fly right! Check out the Press Release on Page #10**.

●**We urge you to join IHRSA** if you *have not already*! **Call (800) 228 - 4772!**

●Check out this year's **IHRSA Conference and Trade Show slideshow** by going to **www.clubinsideronline.com/ihrsa2016.**

●**JUSTIN and I want to say Thank you for reading Club Insider!**

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●**God bless** all of **our troops, airmen** and **sailors worldwide** and **keep them safe**. **Thank you, Congratulations** and **Welcome Home** to all of our troops who have served in **Iraq, Afghanistan** and around the world. **God bless you** and **your family, your club staff, your members** and **your club(s)**. **God Bless America!**

(*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 23rd 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. Cates may be reached by phone at* **770-635-7578** *or email at* **Norm@clubinsideronline.com**)


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Norm Cates' CLUB INSIDER
The Pulse of the Health and Fitness Club Industry

Planet Fitness and Franchisees Pledge $1.3 Million to Anti-Bullying Initiative

NEWINGTON, NH - In a class of 20 kids in the United States, an average of at least four (22%) have experienced psychological or physical abuse by a peer at school. Across the country, a child is bullied approximately **every 7 seconds**. Similarly, nearly one out of four (24%) Boys & Girls Clubs of America (BGCA) teens aged 13+ admit they were bullied in the last year, according to newly-released data from Boys & Girls Clubs of America's *2015 National Youth Outcomes Initiative Report*. These statistics are shocking and all-too-common; in fact, nearly 8 in 10 parents report that bullying is a top concern while raising their kids.

To help tackle this important issue, Planet Fitness, one of the largest and fastest-growing franchisors and operators of fitness centers in the U.S., is teaming up with the country's leading anti-bullying organization, **STOMP *O*ut Bullying**, and BGCA, the nation's leading youth development organization, to launch the company's new national philanthropic initiative, *The Judgement Free Generation*.

This is the first initiative of its kind to focus on combating bullying in the afterschool setting. With targeted programs and educational resources designed to empower teens and Boys & Girls Club professionals, this unique 3-way partnership will build off Planet Fitness' **Judgement Free Zone** and **"No Gymtimidation"** philosophy to create a culture where bullying is not accepted and kindness prevails. Planet Fitness, in collaboration with its franchisees, is committing $1.3 million over the next two years to support the program. And, with BGCA Clubs serving nearly 4 million kids and teens through membership and community outreach around the country, Planet Fitness stands to reach a significant number of our nation's young people.

As part of the Judgement Free Generation initiative, Boys & Girls Clubs will roll out activities, such as developing staff training in collaboration with the Yale Center for Emotional Intelligence and project grants for local Boys & Girls Clubs to implement their best ideas for creating a generation of "judgement free" teens. Planet Fitness franchisees and staff will also build relationships with local Boys & Girls Clubs through volunteerism, mentorship and more. In addition, on March 17 and 18, Planet Fitness participated in BGCA's National Keystone Conference in Dallas, TX. During this annual gathering of Club teen leaders, the Company and STOMP *O*ut Bullying hosted several pro-kindness, anti-bullying educational activities.

For more information about The Judgement Free Generation, please visit **www.planetfitness.com/givingback**.

Motionsoft Hails the Arrival of Softer Software

ROCKVILLE, MD - In a continued effort to make its iconic software solution more user friendly, Motionsoft announced the release of the world's first soft technology software solution for the health and fitness industry, the SOFTER Soft Software line. SOFTER Soft Software or S-cube is the ultimate club management software companion for the modern front desk staffer.

Building on industry expertise the firm has already displayed with its Plush series, Motionsoft is taking its commitment to softness all the way to the clouds—literally. S-cube's cloud-soft solution will be soft launched starting today. SOFTER Soft Software is made with patented softness, making it softer than any other software in the world.

"You try holding a badge scanner all day," expressed one callused staffer, stressing that a lot of the men who work at health clubs just aren't that tough. "People are going to use SOFTER, because it's so soft. I don't know why they didn't invent this thing sooner. You can feel it on the screen when you touch stuff. It's really mind blowing."

"Our customers were asking for a softer software experience. Normally, we'd just ignore them," expressed Clou Dsoft, director of Plush and lead developer of SOFTER Soft, adding SOFTER is really similar to dryer sheets. "We don't use a dryer sheet, a dryer or even do laundry at work cause we're not allowed to do laundry at work. Anyway, you know what I mean, right? Basically, we stole the idea from Bounce."

With SOFTER Soft, Motionsoft has renewed it focus on functionality and user experience. The product evolution started with clients asking the Support team about softer software. "Then they wanted 'freshness' but we haven't found a developer who codes in J-Fresh," shared Ms. Dsoft. "Gyms can smell funny sometimes so the freshness angle really played well in our focus group research. Guess what they want now? Static control."

World Gym to Open 200 Locations in Europe by 2020

LOS ANGELES, CA - World Gym International, the iconic global brand for bodybuilding and seriously fun fitness, announced ahead of the FIBO Global Fitness Fair that it is targeting to sign deals for 200 franchised World Gym locations across Europe by 2020.

World Gym has been investing significantly in its franchising efforts over the past several years, which has shown rapid expansion across North America, Australia, Asia and The Middle East. World Gym is now turning its efforts towards growth in Europe; the brand will be kicking off its renewed European efforts by exhibiting at the FIBO Global Fitness Fair for the first time.

"We added 40 new gyms to the World Gym global network last year, including four in Russia," said Joyce J. Cammilleri, Chair of World Gym International. "We see tremendous franchising opportunities across Europe and expect to see even more accelerated growth coming out of FIBO. Europeans love World Gym and have been excited by our unique blend of Hollywood style and seriously fun fitness."

World Gym recently launched its 40th Anniversary efforts with a celebration at IHRSA in Orlando for its franchisees and partners. World Gym is continuing the celebration at the FIBO Global Fitness fair in Cologne, Germany. Individual World Gym owners in 20 countries will also host individual events for new and prospective members to commemorate the milestone, which will culminate at the World Gym Convention in Las Vegas in September.

For more information on World Gym International, please visit **www.worldgym.com**.

New Jersey Consumer Affairs Announces Actions Against 20 Health Clubs

NEWARK, N.J. - The New Jersey Division of Consumer Affairs announced administrative actions against 20 health clubs and has assessed a total of $158,500 in civil penalties against the clubs for their alleged failure to comply with consumer protection laws.

"Consumers who pay for health club memberships deserve the assurance that they're signing contracts with clubs that are properly registered and operating in accordance with the law," said Acting Attorney General Robert Lougy. "The clubs we cited have allegedly failed to comply with the laws designed to protect consumers. We're sending a message to them that we won't tolerate such non-compliance."

The Division of Consumer Affairs, working with the Division of Law, issued Notices of Violation to all 20 clubs for failing to register their businesses. State law requires that all health clubs which devote at least 40% of their floor space to physical fitness services must register with the Division of Consumer Affairs and provide information about their ownership and operations.

In addition to the registration violations, nine of the 20 clubs allegedly violated consumer laws by selling longer term contracts to consumers without maintaining a required bond, letter of credit or other form of security acceptable to the Division of Consumer Affairs, as required by state law.

Along with these violations, 14 of the 20 clubs were cited for allegedly failing to conspicuously post a notification of consumers' rights, as required by law.

"When it comes to joining a health club, consumers shouldn't have to worry that getting healthy will hurt them financially," said Steve Lee, Acting Director of the New Jersey Division of Consumer Affairs. "They have a right to expect their club is properly registered and properly bonded so they won't lose money on a long-term contract should the club go out of business or violate contracts with the consumer."

The Notices of Violation arose out of the Division's site visits at 23 health clubs statewide to observe their facilities and business operations, obtain copies of contracts and other documents, and compare that information with the state's registration records.

A $5,000 penalty is being assessed for registration violations. An additional $5,000 penalty is being assessed against Bolero Spa in Wildwood and World Gym in Dunellen because both clubs had previous registration violations. The nine clubs that allegedly offered contracts longer than three months without posting a required bond, line of credit or other form of acceptable security have each been assessed an additional $5,000 penalty. The 14 clubs that failed to conspicuously post the consumer rights notice have each been assessed an additional $250 penalty.

In response to the Notices of Violation, each business may acknowledge the conduct, agree to comply with the law, and pay the assessed civil penalty; or request a mitigation conference at which the Division would consider mitigating circumstances before rendering a final decision; or contest the charges and request a formal administrative hearing.

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STEPFITNESS

...Jim Worthington

continued from page 3

been tremendous, raising enormous sums every year that tick the fundraising meter that much further. This year, at the 11th Bash for Augie's Quest, held on March 23rd in Orlando, Florida during IHRSA 2016, Jim was honored for these efforts with the 2016 Augie's Bash Leadership Award. Presenting the award was NAC member, Matt Bellina, who is suffering from ALS, and his wife, Caitlin.

Jim began his acceptance speech by recognizing his incredible team at the NAC, as well as friends and family who assisted in the effort. Next, he thanked Matt Bellina and Frank Mongeillo, another NAC member suffering from ALS, for providing incredible inspiration everyday. He continued by thanking Augie, and other veterans of the industry, for pioneering the industry we know today. Finally, he shocked everyone in attendance by adding a personal donation of $100,000 to the money already raised by the NAC, bringing their total to more than $200,000! The emotion in the room was palpable.

Following IHRSA 2016, I caught up with Jim to discuss his generous and inspiring act of charity, the reasons for it and the unexpected after effects his gesture is now creating. I encourage you to read on as we hear from Jim Worthington, an incredible industry leader, colleague and friend.

An Interview with Jim Worthington, Owner of Newtown Athletic Club

Club Insider (C.I.) - Please tell us about some of the activities the Newtown Athletic Club (NAC) held or participated in to raise $100,000 for Augie's Quest.

Jim Worthington (JW) - The first thing we did was to hold a private event at my house. I had about 100 people come, and they paid $500 a couple or $300 an individual to attend. We also had sponsors for $1,000 a couple, and some larger sponsors, like my bank and other people I do business with in and outside the health and fitness club industry. They sponsored for $5,000 or $10,000. The event was on a Saturday night, and it featured a fully catered dinner, open bar and even a videotaped congratulations message from Augie and Lynne. We netted $58,000 at my home that evening. That was in January, and that's what kicked it all off.

About a month later, we had another event at the NAC on a Saturday night. That was a less expensive event at $75 an individual. Everyone who went to the event at my home got into this event free, and then, we sold another 300 tickets to members, friends, family and so on. In addition, we did some other things to raise money, such as a silent auction. Then, at the event, during the course of the presentation, a friend of mine came up to the stage and gave $5,000 for the cause. Then, another friend did the same thing giving $7,000. It was amazing. That night, we raised another $50,000, so between the two events, we were in excess of $100,000. So, that was the $100,000 we had committed to raise for Augie's Quest.

C.I. - To the complete amazement of everyone in attendance at the Bash for Augie's Quest, during your acceptance of the 2016 Augie's Bash Leadership Award, you matched the contributions of the NAC with your own $100,000 donation. Please tell us about that decision.

JW - The night of the event, when we were to be recognized, I had decided in advance to do this, but I didn't tell anyone. I wanted to surprise everyone, and that's when I matched that amount with another $100,000. So, the NAC did a couple hundred thousand, and of the $1.4 million raised, we raised about 14% of the total. We were proud of that as a team, a club and a community, and we were happy to be able to do it.

You know, it's funny... The year before, we raised $180,000. About $80,000 was from the NAC, and I tend to go a little bit crazy at the silent auctions, so I spent about $100,000 in addition to what we raised. This is going to sound weird, but it's true: I go to a lot of these things, not just for ALS, and I have a list of probably 50 items that I have bought but yet to use from the last five years. I know it's for a good cause, so I buy the stuff with the intention of using it or giving it away to members, employees, friends or family. This year, I said to myself, 'I can't buy anymore of these things; I'm not using them now. Let someone else bid on them this year, and it will be like double money.' It worked out great because a lot of people got to bid on things that I normally would have bid on. They made money off that, and they got the additional $100,000. That's how it came about.

C.I. - What do you and the NAC have in store for the 2016/17 fundraising season?

JW - I'm on the Bash Committee, and Kevin McHugh at the Atlantic Club and I discussed doing something different and more fitness oriented. He has been a participant in marathons that have raised a lot of money for causes at their club. So, he came up with the idea of a marathon, and he worked on it with Augie's Angels. Then, he discussed it with me, and I thought it sounded good. So, it was presented to the Committee. At first, we talked about doing a half marathon in Maui. But, I said, 'Kevin, we know your club and my club are committed. If we can get someone else on the east coast, we should do something that is a 1- or 2-hour drive so we can get as many people as possible.'

The company that does the marathons suggested the *Brooklyn Rock and Roll Half Marathon*, so we jumped on that. Next thing you know, we've got five clubs participating: *The Atlantic Club, Newtown Athletic Club, Chelsea Piers, Greenwood Athletic Club,* and the *River Valley Club*. The one that is coming the furthest is Greenwood Athletic Club out in Colorado.

Right before this year's Bash for Augie's Quest, we just started to promote it with our members. It's $2,300 to go to Brooklyn on Friday, stay overnight, do the half marathon on Saturday morning, and then, I am throwing a big bash Saturday night for our runners and friends who are supporting it. Then, Sunday, we are coming home, so for that money, you get an entire weekend. Of that amount, $1,500 will go to Augie's Quest. We started the week before IHRSA, and we are already up to 90 runners. That's less than a month, so we expect to get close to 150. Do the math, and we are already at $135,000 right now, and if we get to 150 runners, that will be $225,000. That means this will be a better fundraiser than what we have done the past couple of years, in which we raised $180,000 in 2015 and $200,000 this year, and we still have eleven months to go until the next Bash for Augie's Quest.

We've got a friendly competition with Kevin at the Atlantic Club and Chelsea Piers. This is in their wheelhouse, so I kid them saying, 'We are the little club down in Newtown, Pennsylvania, and we are just trying to keep up with you guys.' But, right now, I am happy to say that we have more people signed up than they do, but in the end, I hope they get more than we do because it's all for the same cause. I'm just trying to be the stalking horse pushing everyone as hard as I can.

C.I. - Jim, thank you for your time today to discuss your team's excellent effort and your incredible generosity to such an important cause, the cure for ALS.

JW - You're welcome. I was really stunned by the reaction to my acceptance of the award. For me, when I get up to speak, it's like I'm having a conversation like I'm having with you now, so I talk like I would normally, from my heart. I've been in front of groups many times, but what I said at the Bash really seemed to resonate. It was amazing how many emails, texts, etc. I got saying they were moved by what I said. I'm thinking, 'I'm just Jim; I get up and talk, like I always would. I'm nobody special.' But, for some reason, it hit home. It sounds like it has made people want to act. In those messages, nine out of ten people said that it has motivated them to do more. If that's the effect, then I feel like it was a huge success.

That's what I was trying to do, and not just for ALS and Augie, but for IHRSA as well. The reality is that we take for granted what they do and what guys like your father, Norm, Rick Caro, and the late Curt Beusman and others have done for this industry. We need to know that, and we need to support the organization that is growing the industry. So, it hit home on both accounts, and I was very happy about that. It wasn't about people saying, 'Hey, Jim, great speech.' It was about them becoming motivated to do something. And, I have leveraged that to reach out to some people on behalf of Augie's Quest, IHRSA, the Industry Leadership Council (ILC) and things like that. Guess what, people are joining and wanting to do more, which benefits everyone.

• • •

Thank you to Jim Worthington for his time interviewing for this article and Linda Mitchell for her additional assistance.

(Justin Cates is 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 31 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***)*

...Thomas Plummer

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the cover subjects of the IHRSA magazine are? Two separate businesses plans running in opposite directions at full speed.

•Every owner of every training gym is a certified coach in some aspect of the business. How many mainstream players own and operate a "fitness business" and haven't worked out a single client in their entire career? And, aren't certified? And, who haven't ever sat in on a coaches' educational event to determine the future of the business?

We blame others for our own demise. But, the reality is evolution is a brutal teacher. Selling access at a cheap rate will last, but it will be a crowded business with too many cutthroat players fighting for survival.

Could mainstream players change their business plan? The old adage is probably true here: almost any business can be fixed; it is the owners who are so damn hard to change. The future will be results-driven, coach supported fitness, but you may have to leave one industry and join another to be a player.

We welcome you to come see one of our workshops. Contact **Jillian@teamnfba.com** for more information. Private workshops are available for club groups.

(Thomas Plummer is a long-time health and fitness club expert and veteran and the Founder of the National Fitness Business Alliance. Thomas can be reached at **thomasplummer@icloud.com***)*

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...Karen Woodard-Chavez

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will have a very successful and profitable party. As you read through this list, assess what points you're already doing well, what points you may not be doing at all and what you can do differently to improve the outcomes of your parties.

A Successful Party Checklist

1. Include the event as an item in your advertising and marketing budget.

2. Determine the number of people you want to attend the party: *set a goal for members, guests and sales you expect to see from those guests in the two weeks following the party.*

3. Avoid planning your parties on a date during a holiday or common vacation time (Spring Break). Consider having the party on the same day every month, such as on the 2nd Thursday of the month. Host the party from 5:30 - 8:30PM if during the week. If on a Saturday, schedule it for 6 to 10PM.

4. Empower a volunteer staff committee from several departments to be the Planning Committee with the Membership Sales Staff being heavily involved. After all, this will be a monthly sales opportunity. Make sure this committee *understands the goals of both retention and referral and that the Committee has an affinity for party planning.*

5. Provide entertainment. Consider having the Group Exercise Department choreograph a routine to music as live entertainment at the party. Consider other live entertainment such as a piano player, guitarist or magician, etc. Consider coordinating this with a group exercise launch of a new program.

6. The event can be held at the club or at a fun, trendy restaurant in town. If at a restaurant, the club would pay for a nice appetizer buffet or hand-served appetizers and provide one beverage ticket to each member and guest. If at the club, it could be at the café, if your club has one, or in a lobby, a studio or parking lot, if the weather is nice.

7. *Each month, make a list of 50 different members who will be called to be personally invited to the party.* This will allow you to have new people come in as well as the "regulars" who ALWAYS attend your club parties. Never forget that your "regulars" can be some of your best membership advocates.

8. Membership Sales Staff will contact all new members who have joined during the last 365 days by snail mail invitation, email and phone calls to invite them to the party.

9. Include the party date and location in your Email Blast newsletter.

10. Be sure to put the party announcement on the club's Facebook Page and the Member's Area on the website.

11. Send an Evite to all members.

12. Require your Membership Sales Staff to *each* get 10 - 15 confirmed members, guests and/or leads to attend the party.

13. Place a poster-sized invitation on a *moving easel throughout the club* ten days before the party asking for an RSVP from members.

14. Keep an RSVP list at the main reception desk.

15. One week before the party, the entire staff needs to create a buzz about the party and personally invite members to attend, bring a guest and RSVP. Script this so the staff can have a gracious conversation with members. And, don't forget that periodic public address system announcements about your party can still cause a buzz in your club.

16. One week before the party, have the reception staff personally invite members to the party when they're checking in and get RSVPs from members then when possible.

17. One week before the party, go into your group exercise classes and personally invite all members to party and to RSVP.

18. At the party, have a sign-in sheet for members and a separate guestbook for guests for their name, phone and email. Keep both of these lists and enter them into a member party database and a prospect database.

19. Have prize drawings for members who bring a guest with the winner receiving a club service, a pro shop item, etc. Draw for three winning members.

20. Have a similar drawing for guests at the party for a club service, pro shop item, etc.

21. The day of the party, shop for food, beverages and pick up all party items, including nametags. Yes, nametags... You may be rolling your eyes at nametags, but they are a simple, gracious way for all party attendees to get to know each other and for your staff to get to know more members and their guests. *Utilize different color nametags for members and for guests so that all staff know whom the guests at the party are, making it easier for them to engage them in conversation.*

22. The day of the party, begin setting up the space and decorating 2 - 3 hours ahead of time.

23. Assign two staff people to be greeters, signing members and guests in and giving them their nametags and their drawing tickets.

24. *All staff at the party must understand that they are the hosts and their job is to speak to and meet every member and every guest at the party, not to just socialize with the members they know or other staff members.*

25. The Membership Staff should not be overtly selling, but instead, they should be building relationships with members and guests, inviting all of the Guests to come into the club for a 3-day complimentary pass as their guest for the next week.

Note: If a guest is clearly interested in joining that night, then by all means sell a membership! But, we do not want our members and guests to feel as though we are only trying to solicit them; this is a social and relationship building event first and a sales opportunity second.

26. If alcohol is to be served at the party, staff members, if of legal age to drink, should be limited to *one alcoholic beverage.*

27. Designate who will be the Emcee at the party to welcome everyone, thank them for coming, do the drawings, announce the last call and thank everybody at the end of the party for attending. The Emcee should be someone who's articulate and comfortable with public speaking.

28. Create a Staff Volunteer Committee to serve as the cleanup crew.

29. The Staff Volunteer Committee will evaluate what went well, what did not and make changes for the next event.

30. Graciously follow up with all of the guests the very next day to get their three complimentary days scheduled, and be sure to schedule services or activities for them which they are interested in. Do not make the mistake of only scheduling a tour and then having them be on their own for those three days; *make sure* there is a lot of contact and engagement from you and other staff in the club.

Retention and Referrals

Remember, the goal is two-fold: **Retention and Referrals**. How many of these tips have you mastered? And, how many do you need to do differently to have better outcomes for your member parties?

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

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Norm Cates' CLUB INSIDER
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...IHRSA's 35

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to serve all health clubs, racquet clubs and sports clubs.

The following comments are from the man, himself, the one and only Rick Caro. And, I've reached out to a group of IHRSA Members and supporters for their comments, as well. I'll then close this Special Cover Story with Thanks and Appreciation to everybody involved in making IHRSA so successful for 35 years now. Read on. Enjoy. **And, help IHRSA celebrate 35 and Counting! The VALUE of IHRSA rolls on!**

The Early Days of IHRSA Up To Today

By: Rick Caro

As I recall in 1981, I was serving as President of the National Tennis Association NTA), which represented all of the tennis facilities in North America. Simultaneously, I was also serving on the Board of the National Court Clubs Association (NCCA), which represented the racquetball clubs in North America. Many clubs were combining these two sports, and a few were starting to include a major fitness component in their clubs in what was soon to be named multisport clubs. At that time, there was no meaningful fitness industry trade association.

So, for a lot of reasons, I saw the need directly to create a new trade association, starting in North America, which would serve the needs of all types of clubs. This would be a truly inclusive organization. I knew that, if it were just my idea, it would not succeed and grow quickly. It had to involve others with a similar vision. So, I suggested three members of the NTA Board (*Dale Dibble, Todd Pulis and Curt Beusman*) meet with three members of the NCCA Board (*Norm Cates, Jennifer Michell Wayt and Peter Donahue*) in Chicago to brainstorm what they had in common as businesspeople. Intentionally, I would not attend. At the end of that full day, they all called me to confirm that they saw the intrinsic value of the combination of resources with a combined new direction.

The Formation of IHRSA

Later, all six came to my office in New York City where an amazingly productive day occurred. The new trade association was named, the first trade show and convention got planned with dates and a location, by-laws got drafted, the two Boards were melded and a staff concept created. The name of IRSA (International Racquet Sports Association) was selected. Norm Cates was selected to be the first President, and I would follow as the next President.

After a few months, the decision to hire a full-time Executive Director proceeded. John McCarthy, who was the Executive Director of the New England Region (NERSA) was identified. He was interviewed at one of my Connecticut clubs, along with four other Board members in person and one on the phone. This was the most significant decision that IRSA made, as John literally built the membership from nothing, got out in the field, hired the first staff and set up headquarters in Boston.

The early needs of the organization focused on education (with training videos and "how to" lectures), basic industry data collection, a few university professors as outside speakers and lots of joint sharing of new best practices. It was truly an entrepreneurially driven organization. Board Members helped support John and his staff with donated time and resources. The Trade Show had limited fitness equipment initially and even had retail sporting goods on display.

John grew IRSA to include the first set of members from Europe. Fitness manufacturers were solicited. A 4-day executive training program for staff at Babson College was created. The headquarters moved to a real office building in Boston. Some of the stalwarts of IRSA today were hired early, including *Cathy Masterson McNeil, Pam O'Donnell, Anita Lawlor, Helen Durkin, Jay Ablondi* and *Meredith Poppler*. New directions were undertaken with public policy and lobbying/legislation efforts, a fully committed effort to serve other continents in addition to Europe and North America, real research studies became the norm and the Convention/Trade Show was supplemented by an East Coast Marketing and Sales Conference each year. By now, pure fitness clubs dominated the membership levels over multisport clubs.

IHRSA's Continuing Story

For a variety of reasons, IRSA changed its name to include the "H" and renamed itself to its present day name: IHRSA (International Health, Racquet and Sportsclub Association). It moved to a much larger office space. It greatly expanded its staff. It survived recessions. It won State Legislative battles and helped submit bills to Congress. It worked with many trade associations in other countries. It got involved in major conventions/trade shows in other continents. Its Board elected its 1st woman (*Annbeth Eschbach*), its first non-U.S. Chairperson (*David Patchell-Evans*), and recently, its first Chairperson from outside of North America (*Rasmus Ingerslev*). It grew to over 10,000 member clubs in over 75 countries.

John McCarthy retired after 25 most successful years. Joe Moore, a former club owner and former Board member of IHRSA, succeeded him and has been its leader for ten years now. IHRSA has the opportunity to look forward after 35 years to determine its next strategic plan and create the next chapter in IHRSA's history. It can address future challenges and set in motion its plans to create new programs and services, new products, new constituencies to be served and new methods of delivering its story.

IHRSA should reflect back on 35 years and take pride in its many accomplishments, see the history it has created, acknowledge the many relationships and connections it has established, recognize the difference it has made in many clubs and their owners and staff and accept the fact that it has really built an industry. Now, the new fun begins for its next decade of success.

(Rick Caro is a 43-year veteran of the club industry as an owner, operator, consultant and Co-Founder of IHRSA).

The VALUE of IHRSA!

Club Insider reached out to some IHRSA Members for feedback about The VALUE of IHRSA, and we received comments from a cross section of IHRSA Members including current and past IHRSA Board Members, as well as veteran club owners and operators. Please read on...

Dr. Art Curtis, Curtis Club Advisors and Former IHRSA Chairman - Over the past 35 years, my association with IHRSA has been invaluable to me both personally and professionally. Early in my career, IHRSA provided so many great opportunities for me to learn from other industry leaders and develop what have become lifelong friendships. Those opportunities would never have been possible without the vision of John McCarthy and the other Founders of the Association who were steadfast in the belief that we would always be stronger as an industry working together as colleagues rather than always battling as competitors. I will always be grateful to IHRSA for providing me with so many opportunities to grow professionally. My time serving the Association as a Board Member, and eventually as Chairman, was a particularly rewarding experience for me. It is hard for me to imagine what my career would have been like without being an active participant in IHRSA. It certainly would not have been as much fun without IHRSA.

Phil Wendel, Founder and Owner of Atlantic Coast Athletic Clubs - Charlottesville, VA - I can't recall the exact year we joined IHRSA, but at the time, we had one club with about 1,000 members, and I questioned my General Manager about spending the $700. The first Convention I attended was in the early 1990s, and it was in Reno, Nevada. I was playing Blackjack, and Rick Caro came up to me and told me to 'use caution,' the House always wins. ACAC today has 11 clubs, over 50,000 members and more than 2,000 employees. We sent 14 or 15 people to this past IHRSA Convention in Orlando. They commented, 'This was the best conference ever.' The three principal values we receive from IHRSA are:

1. We take our rising stars to IHRSA to give them a sense of perspective on the magnitude of the industry.

2. We enjoy the Trade Show; we walk the floor with our team and experience the equipment offerings. There are no neighborhood shops to evaluate equipment.

3. We truly value the networking side of attending the Conference.

*(See **IHRSA's 35** Page 18)*


Dr. Art Curtis

Phil Wendel


Brent Darden


John and Jan Doyle


Lloyd and Roberta Gainsboro

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Brent Darden, Brent Darden Consulting and Former IHRSA Board Chairman - It's often been said that 'you can't put a value on the most meaningful things in life.' Professionally, IHRSA has played such a significant role in my health and fitness career for over twenty years. Like most IHRSA members, my initial interaction was centered around the annual Convention and Trade Show. It was in that setting that I first experienced the global heartbeat of our industry and the willingness of others to share insights and best practices. For me, it was the mecca of health club management and leadership. It offered access to more great ideas than I could ever implement and an overwhelming exposure to top vendors of every category. Over the years, as I became more deeply involved with the IHRSA organization, I learned their mission was much broader than simply the annual meeting. Behind the scenes, the IHRSA team was working tirelessly to serve member clubs through education, advocacy, promotion and a litany of resources. There is no doubt that my clubs would not have been as successful, and my leadership teams less effective, if it were not for IHRSA. An ancient African proverb says, 'If you want to go fast, go alone; if you want to go far, go together.' IHRSA has been, and continues to be, my partner on this awesome journey in an avocation I believe makes a positive difference in the lives of others.

Ed Williams, CEO and President of Wellbridge - Denver, CO - IHRSA, has had many meanings/value for us over the years... the first was gaining information on how to do things, from the basics of checking people in to running an athletic department... we have progressed to where we are today, now talking about social media, electronic contracts and the cloud. The one thing that has not changed is being able to connect with people that you only see once a year and realize why you are in this business.

John Doyle, Founder and Former Owner of The Belmont Athletic Club, Long Beach, CA, and former IHRSA Founding Board Member - IHRSA's 35 Years! WOW! You can never say enough good things about what IHRSA has done and continues to do that adds tremendous value to our industry as a whole and to our individual clubs. The most visible thing that IHRSA does is produce the annual Convention and Trade Show, bringing people together from all over the world. I've attended 32 conventions and have never failed to come away with thoughts, ideas and equipment that have shaped how we have run our club for the last 35 years. The energy, enthusiasm and caring that the IHRSA staff put into everything they do is geared toward the single purpose of improving the industry and thereby improving all of our clubs individually. If you call them on any questions, they readily have the library of knowledge and are willing to share it with you. Along with all that, they're our industry's government watch dog, with one of the most visible success records you could ever hope for in dealing with potential industry damaging State legislation.

Without IHRSA being the centerpiece of knowledge and support, our industry would not be what it is today, and most club owners would have been doing a lot more trial and error in running our businesses. IHRSA's guidance became a filter for possible ideas shared by clubs all across the globe. For 35 years, our Belmont Athletic Club in Long Beach, California has been the beneficiary of IHRSA's efforts and ideas, and we will always be grateful and appreciative of the wonderful staff that, over all the years, has been part of the foundation of success of IHRSA. Thank You IHRSA for the 35 years you have dedicated to helping our clubs grow and succeed!

Lloyd and Roberta Gainsboro, Owners of Dedham Health and Athletic Club - Dedham, MA - The reasons we value IHRSA are really simple. They are:

1. The Convention and Trade Show, which it runs every year. The keynote speakers alone are usually a reason to attend. These speakers, in most instances, allow you to learn, grow your knowledge in specific areas either current or historical, and you are usually entertained by their performance.

2. The Trade Show itself brings you the products that are the latest in our industry, which allows you to be up-to-date on the latest goods and services offered from all over the world. Whether you like what you see or not, it is information that will help you run your business better.

3. Probably the most important of all, and the least recognized by far, is State legislation. Every year, without exaggeration, within almost every State in the U.S., legislation (usually a regulation) is put forth by some (hopefully) well-meaning State Representative that is either very bothersome to all health and fitness clubs or so severe that it would put many of us out of business. From no longer allowing EFT, sales tax, transgender issues, posting names and home addresses of management to not allowing the Good Samaritan laws to protect health clubs when using a defibrillator and on and on...

4. Networking!!! Being able to talk to others in your industry who are not direct competition. Helping each other to grow your business and avoid mistakes others have made but being able to successfully use the good ideas to prosper.

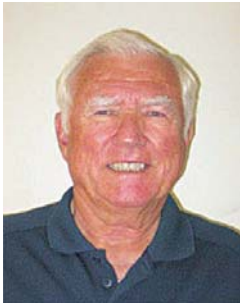
Cecil Spearman, Owner of Laguna Niguel Racquet Club - Laguna Niguel, CA - When I was elected President of IHRSA in 1991, I met with John McCarthy, and we selected an objective for my year of IHRSA leadership, which was, 'To increase the value of IHRSA membership so that would foster faster growth in IHRSA Member clubs.' We decided IHRSA needed a stronger balance sheet to grow. And, we determined we needed to improve the financial strength, while at the same time, strengthening the IHRSA Staff because both were needed for future growth. We developed a strong employee benefit program to help retain a quality staff. A legal department and the hiring of Helen Durkin was established to help IHRSA Member Clubs because that was one service many clubs could not afford. We determined that an IHRSA staff that could keep Member Clubs informed of industry trends, operating systems, new equipment and new services would encourage clubs to join. We agreed to work on offering a great Trade Show, as well as beneficial seminars on a variety of subjects, as well as making attendance **FUN**. We decided to establish a Group Purchasing Program to help clubs save money. And, we recognized that reducing operating costs for members would be a genuine service.

IHRSA has created extra value to membership and has GROWN immensely for many reasons. Offering services that one club cannot cost effectively handle added value to being a member of IHRSA. The seniority of the IHRSA staff, the balance sheet, the legal and marketing services, the information on industry trends and the commitment to a great annual convention are examples of adding value to IHRSA that have helped with solid growth of this fine association.

Rick Beusman, Owner of The Saw Mill Club - Mt. Kisco, N.Y. - Without IHRSA, our industry would not exist as we know it today. Over the past 35 years, IHRSA has brought together and unified the key players in our industry. Whether it be club operators, industry professionals, vendors or financial providers, all of us owe a debt of gratitude and thanks to IHRSA for making our industry as successful, prosperous and vitally important as it is today. Personally, I have found IHRSA to be a great resource that has enabled us to build and grow our business over the years. Additionally, IHRSA's expertise and help in protecting our industry from onerous government tax policies and regulations have been invaluable to us in New York on more than one occasion. Without IHRSA, today in New York State, there would a 6% sales tax on all revenues on health clubs in the State. That is not the case, and we have IHRSA to thank for assisting, organizing and guiding club operators to defeat that tax. So, thanks IHRSA and keep up the good work. Here's to another great 35 years going forward!

Bill Higgs, 35-year General Manager of Shula's Athletic Club - Miami Lakes, FL - I truly believe that the vast majority of us in this profession are in it because we honestly want to help others live the best life they possibly can. We also believe strongly in the value of our product: exercise/movement, quality nutrition and social connectedness. IHRSA has been there with us ALL, right from the start, helping to position our industry as the primary solution to the worldwide crisis of physical inactivity and sedentary lifestyles. It's a

*(See **IHRSA's 35** Page 20)*


Cecil Spearman


Rick Beusman


Ruth Stricker


Molly Kemmer

Bill McBride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very noble and necessary mission. In my many years of health club operation, most of what I have learned has directly been the result of an IHRSA-sponsored event, program or research study. The energy, networking and knowledge that come from attending the annual Convention and Trade Show is truly amazing. I will always admire the leadership of John McCarthy who helped form my first impressions of IHRSA, which are quality, honesty, the value of service and ethical business practices. I have accumulated a lifetime of friends, memories, challenges, new experiences and fun while being part of a very rewarding profession that has only been made better by our club's 34-year association with IHRSA! The world needs our service, our inspiration and our creativity now, more than ever before. I stand with IHRSA for the *next 35 years!*

Ruth Stricker, Founder and Owner of The Marsh - Minnetonka, MN - A big thank you to some of the many:

To: Norm Cates, IHRSA Co-founder and **Club Insider** Owner and Publisher, and Rick Caro, IHRSA Co-Founder, and his constant and ongoing exceptional leadership in management.
To: The early days when Donald DeMars, as the result of being a speaker, became the contractor for the interior of our new 57,000 square-foot building in 1983-84.
To: John McCarthy, a personal friend, for his leadership of warmth, values, ethics and inspiration.

For: The opportunity to fund a 3-year research on Mind/Body with the University of Massachusetts and Herb Benson, Harvard, measuring the psychological benefits of exercise with a cognitive component. This was the result of a vanguard *Commit to Get Fit* breakfast, which prompted me to launch this research, which then later resulted in a keynote presentation at a conference with Jim Rippe and T. George Harris. This was a milestone, the beginning of Mind/Body at IHRSA.
For: The networking with early thought leaders in ACE, Active Aging and Medicine.
For: Joe Moore and his leadership with the Industry Leadership Council, their lobbying work on behalf of all of us and for Meredith Poppler, who keeps us all informed.
For: Members of my staff who come home excited and stimulated from conferences every year.

Molly Kemmer, Current IHRSA Chairwoman until June 30, 2016 and Regional Director of Community Services at EXOS | MediFit - IHRSA was founded 35 year years ago with the core values and purpose to grow, protect and promote the industry on behalf of the Association members. While SO much has changed in our industry since then, those same core values ring true today. Having had the privilege to work closely with the IHRSA staff and the Board of Directors for the past four years, my perspective has grown regarding the value of the Association and membership. While the annual Trade Show and Conference, vetted education and resources, industry data and trend market reports and business development content received monthly in CBI are all extremely valuable aspects of being part of IHRSA, the most significant value lies in 'Success by Association,' as in the relationships and connections made, and the learning, growing and compounded influence that occurs as a result. Because IHRSA is a global organization, the value provided by the ability to connect at this level is immeasurable. Just imagine what we're capable of together. Thank you, IHRSA!

Bill McBride, President and CEO of BMC3 and Former IHRSA Chairman - For those who know me, you know I'm extremely passionate about IHRSA. As an operator that grew up in this fine industry as an IHRSA member, I had the honor and privilege to serve on its Board of Directors, and subsequently, was elected its Chairman (2012-2013) and Ex-Officio (2013-2014). Plain and Simple, IHRSA is THE Industry's Big Tent. The Association's moniker of 'Success by Association' fits its Mission and Value. It is the only place 'For Profit' industry partners (Clubs, Centers, Chains, Franchises, Manufacturers and Suppliers) can come together to make each one better and drive the industry towards expansion in making a difference worldwide. The value the Association plays in research, Public Policy/Advocacy (Industry Leadership Council), education, the IHRSA Institute, networking, public awareness and the international showcasing of education, products and services is beyond measure. Under the IHRSA Tent, competitors and like-minded professionals come together and learn from each other to make, not only their own businesses better, but to expand the pie for the entire global industry. This makes for continuously more profound positive differences in active, healthy lifestyles worldwide. It makes me very proud to be associated with the industry. In my humble opinion, the Association does an amazing job of Protecting and Growing the Industry. We truly are more successful by having this Association. Keep up the great work IHRSA!

Mike Alpert, President and CEO of The Claremont Club - Claremont, CA - I am honored to have this opportunity to thank IHRSA and their past and present staff for all they have done for our industry and for me personally. I became a member of IHRSA in 1990 as we were getting ready to open The Athletic Club of Bend in Bend, Oregon. At that time, I had the exceptional opportunity to meet and become friends with John McCarthy, who over the years, has been a tremendous mentor to me. It became crystal clear to me that, if I was going to thrive in this industry, I needed to support the organization that would offer me and our staff ongoing education and keep us up-to-date with industry trends. In addition, I knew that we needed an organization that would provide legislative advocacy and that would be a voice for us at the State and Federal levels. Over the years, this has always continued to improve year-over-year.

I remember going to my first IHRSA Convention in San Francisco and how energized and excited I was upon my return home with so many valuable ideas that I had by being around some of the most innovative people in our industry. Each and every year, the Convention continues to offer such great learning opportunities to those who take advantage of them. It is so very helpful in keeping abreast of our industry trends. And, we would be remiss if we did not acknowledge our valued vendors who make the IHRSA convention possible and whose innovation keeps our members active in our clubs.

Finally, IHRSA has allowed me to make so many special lifetime friends, people whom I have learned so much from and who have enriched my personal and professional life. So, congratulations on your 35-year anniversary. My sincere thank you for all that you have done and continue to do to help us build healthy communities.

Mark Miller, VP/CEO of Merritt Athletic Clubs - Baltimore, MD - Having been in this industry for many years, we often forget the value of associations... until you need them. IHRSA is an organization that provides just that, associations or connections that foster growth and success. Through their education platforms, their meetings, webinars and partnerships clubs have resources to no longer guess. New people entering our industry have proven pathways to follow for success.

In the last several years, I have sent our General Managers to the IHRSA Institute, Conference and had them view strategic webinars. Each time, they have come away with great content and ideas that have helped our organization grow and succeed. They have developed peer groups and networks that they can reach out to guidance, best practices and simply to bounce ideas around. I personally have learned from, met, connected with trusted friends and colleagues, as well as shared best practices, all of which have had a profound impact on me professionally and personally.

It is without a doubt that we, at Merritt Athletic Clubs, use IHRSA to foster our professionalism and growth of all our team members. To stay aware of industry trends, utilize their various support tools as well as all the resources and information to guide us. *Profiles of Success*, resources on various issues within clubs to the fight against various government regulations or taxes, IHRSA stands behind us all, and we should do the same.

Mel Keist, General Manager of The East Bank Club - Chicago, IL - East Bank Club's partnership with IHRSA over the past 35 years has been a tremendous benefit for us. IHRSA has provided the club with invaluable support and resources to help us navigate changes in the industry and to most effectively meet the needs

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Mike Alpert


Mark Miller


Mel Keist


Al Tassell


Andrea Merritt

Can a Fitness Tracker Save a Life in the ER?

WASHINGTON - Emergency physicians used a patient's personal activity tracker and smartphone to identify the time his heart arrhythmia started, which allowed them to treat his new-onset atrial fibrillation with electrical cardioversion and discharge him home. The first case report using information in an activity tracker/smartphone system to assist in medical decision-making was reported online in *Annals of Emergency Medicine*.

"Using the patient's activity tracker, in this case, a Fitbit, we were able to pinpoint exactly when the patient's normal heart rate of 70 jumped up to 190," said corresponding study author Alfred Sacchetti, MD, FACEP of Our Lady of Lourdes Medical Center in Camden, N.J. "The device told us that the patient's atrial fibrillation was present for only a few hours. That was well within the 48-hour window needed to consider him for rhythm conversion, so we cardioverted him and sent him home."

A 42-year-old patient with a history of seizures, but no history of cardiac disease or prior episodes of atrial fibrillation came to the emergency department following a seizure. He had an irregular heart rate ranging between 130 and 190 beats per minute. He was medicated with oxcarbazepine and diltiazem. His heart rate returned to normal (between 80 and 100 beats per minute), but the atrial fibrillation remained.

The treatment of recent onset atrial fibrillation is electrical cardioversion in any patient who can reliably relate an arrhythmia onset time of within the previous 48 hours. Because the patient was asymptomatic during his current episode of atrial fibrillation, it was not possible to assign an onset time for his arrhythmia.

Emergency department staff accessed the smartphone application connected with his activity tracker and discovered the onset time for his atrial fibrillation was three hours prior to coming to the emergency department. After cardioverting the sedated patient, emergency department staff interrogated the smartphone app again, which accurately recorded the change in heart rate consistent with a rhythm change from atrial fibrillation to normal rhythm. The patient was discharged home with instructions to follow up with outpatient cardiology.

"Not all activity trackers measure heart rates, but this is the function of most value to medical providers," said Dr. Sacchetti. "Dizziness with a heart rate of 180 would be approached very differently from the same complaint with a heart rate of 30. At present, activity trackers are not considered approved medical devices, and use of their information to make medical decisions is at the clinician's own discretion. However, the increased use of these devices has the potential to provide emergency physicians with objective clinical information prior to the patient's arrival at the emergency department."

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of our members. We've always greatly appreciated IHRSA, and we look forward to many more years of IHRSA's success.

Al Tassell, Owner of PUMPS, Real Fitness for Women and Business Consultant, Pro Fitness Program - Woburn, MA - I've been in the club business for 28 years and have owned and operated fitness only, multipurpose and women's only clubs. I'd like to think I know just about everything there is to know about our industry, but what a surprise, I most certainly don't! In comparison to other service industries, the fitness business is still relatively young and progressing at an incredible rate. Not only are new products and services being perpetually introduced but entirely new brick and mortar fitness 'options' are opening every day. Without the resources of IHRSA, an independent club owner like me would find it extremely challenging to keep up with the times and remain relevant. Attending the yearly Convention gives me the confidence and knowledge I need to compete as the educational seminars and extraordinary Trade Show have proven to be invaluable. Additionally, the connections I have made via networking at IHRSA events has made the transition into my second career as an in-club consultant that much easier. Congratulations IHRSA on your 35th Anniversary because, without your efforts, the industry would not have become what it is today!

Andrea Merritt, Program Director of Sportsclub - Greenville, S.C. - Members of IHRSA since 1981, our clubs have found the research, education, resources, advocacy and networking potential offered to be invaluable. From the dedicated, helpful staff at the IHRSA office to the fellow club owners and operators around the world, *much of our success truly is by association.* As physical inactivity and health care costs rise, it's wonderful to know we're part of something bigger than ourselves, bigger than our own community. It is with that in mind that we take great pride in the effort to grow, promote and protect our global industry as well as share our passion for fitness and wellness through innovative programming with our members and guests.

J. Madden, Founder of GATC and Pura Vida - Denver, CO - IHRSA has been the positive voice of all things fitness with a heart and soul vested in the greater good of the club owners, their staff and the members they have faithfully served for 35 years. IHRSA's platform is being the advocate for the total wellbeing for its broad base of international members with a focus on fostering innovation, ethics and awareness of fitness modalities to improve the lives of its constituent members. IHRSA is always setting the bar high and providing a guiding light to illuminate the path towards stronger industry collaborations and best practices for the benefit of all.

Missy Moss, General Manager of Nike Athletic Centers and IHRSA Board Member - IHRSA is an industry leading guidance, research and supportive association. You cannot place a value on IHRSA. IHRSA provides a deep connection and roadmap for our evolving industry. At Nike, we found this out early on when we began construction on our 2nd onsite fitness center back in February 2001. Even at the Nike Athletic Centers, we needed the conversation, engagement and tools IHRSA provided us and still provides today. We all think we know fitness, and yes, maybe we do to some degree, which leads us to think we can do it on our own. But, without a 'master' leading our direction, we would not be as effective. IHRSA serves as the catalyst to help grow, promote and protect our industry. We need them, and they need us to fight the obesity epidemic and together be viewed as changing the world actively.

Gale Landers, CEO of Fitness Formula Clubs (FFC) and Former IHRSA President - Chicago, IL - In a word, it's just like most club members think: **VALUE.** For very reasonable annual dollars, FFC has received benefits provided by IHRSA, the leading global fitness trade Association that grows, promotes and protects our industry. IHRSA drives initiatives that none of us could do on our own, including being in Washington, representing fitness industry stakeholders as it relates to ongoing legislative challenges. IHRSA has an excellent win-loss record of 118 and 3 in this regard. Early in my career, IHRSA served as a personal catalyst in that it provided a breakthrough moment I might not have otherwise experienced. It happened at my first IHRSA Convention in the mid '80s. The fitness industry was in its relative infancy at that time. Attendance at that convention immediately confirmed to me this was an industry that was going to make a positive difference in the lives of millions of Americans as it grew. It was full of passionate entrepreneurs and operators who desired to learn from each other and share best practices for the greater good of all. I knew I was in the right industry Association at the right time.

In more recent years, IHRSA has served as a platform for many of our company leaders to make connections with peers across the country. We share many ideas and learn from one another. This often starts at an IHRSA Convention, and friendships made at the conventions play out through the years thereafter. IHRSA, thank you for being there when we need you!

Jim Worthington, Owner of Newtown Athletic Club and IHRSA Board Member - Newtown, PA - To put it simply, IHRSA has been the number one reason the Newtown Athletic Club (NAC) has achieved the success it has to this point. I began attending IHRSA conventions in 1983 when it was in its infancy and never looked back. What I learned at IHRSA was not only game changing for me, but it also motivated me to think big and out of the box. Almost every new idea I implemented at the NAC found its germination at IHRSA. At IHRSA, I was able to interact with the best thinkers of the time and sit in seminars with experts from all walks of life. Over the years, I have sent my staff to the educational Conventions and Trade Shows so they could benefit as well. From John McCarthy to Joe Moore as our IHRSA champions, to the countless Board Members and thought leaders in the industry who have befriended me, I have learned what the true potential of the industry is and strive every day to meet that potential. IHRSA has enabled me to grow, improve and ultimately keep my promise to my members to 'make their lives better.'

The entire industry owes a huge debt to IHRSA and to every one of IHRSA's dedicated and hugely talented staff who, through the years, are at the heart of IHRSA's success by association. Thank you simply doesn't say it well enough, but this thank you is truly heartfelt!

Patricia Laus, CEO of The Atlantic Club - Manasquan, N.J. - First, I'd like to say Thank You to Norm Cates, Rick Caro, Red Lerille, Alan Schwartz and all the Founding Fathers for having the vision to create IHRSA(IRSA) 35 years ago! Throughout the years, IHRSA has demonstrated it's ability to adapt to its members needs, while collaborating with other professional trade organisations such as ACE, ACSM, Club Industry, etc. and equipment manufacturers to raise the bar on education, certifications and research

It has been the 'Go To' place for the staff of The Atlantic Clubs and me when we are fact finding about new programs and possibilities that could lead to future growth of our Atlantic Club businesses. It's Political Policy Council continues to be vigilant about identifying and fighting legislation that could be harmful to our businesses, while being proactive about getting the PHIT Bill passed as well as other legislation that will reward physical activity and drive new members to our club's doors.

As clubs, private, public, franchises and licensed chains, who are members of IHRSA have grown their businesses, banks and other lending institutions now respect our fitness clubs and industry and view them worthy of investments.

Lastly, IHRSA clubs have wholeheartedly supported Augie and Lynn Nieto in their Quest to find treatments and a cure for ALS by enrolling their members in extraordinary fundraising events: Clubs for the Quest has raised millions of dollars for ALS/TDI research, proving IHRSA clubs operate from the heart!

All said, IHRSA is about education, research, vendor/club operator collaborations, political action, networking, fundraising, 'doing the right thing,' and most importantly, IHRSA is a stand for the power of relationships. I am grateful and proud to be a member of the IHRSA community!

Kevin McHugh, COO of The Atlantic Club - Manasquan, N.J. - IHRSA has provided to myself and the entire staff at The Atlantic Club the opportunity to be exposed to leaders in the industry who

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J. Madden


Missy Moss


Gale Landers


Jim Worthington


Pat Laus

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continued from page 22

guided and helped us craft new ideas and breakthrough concepts that have continued to grow our business over the years!

IHRSA is an organization that understands the value and power of *Relationships*. Over the years, this has led to the development of many business relationships, and most importantly, great friends with the IHRSA staff as well as with hundreds of health and fitness club operators throughout the entire industry. This was only possible due to the leadership, passion, hard work and dedication of the entire IHRSA Team.

Happy 35th Birthday IHRSA, and thank you for all you have done to further both my professional growth, as well as our entire team at The Atlantic Club. Here's to another 35 great years!

Thanks and Appreciation to All Involved

I'd like to extend sincere Thanks and Appreciation to all who've been involved in making IHRSA the 35-year running success it has become.

First, Thanks and Appreciation to Rick Caro, whose brainchild, the original IRSA (International Racquet Sports Association) was. And, Thanks to the other Founding Members who made it a success with their participation and support.

Thanks and Appreciation to John McCarthy who stepped in as our first Executive Director and was a man possessed with the idea of making IRSA, and then IHRSA after the "H" for Health was added, a really great success during his 25 years as IHRSA's highly esteemed Executive Director. Now Executive Director Emeritus, John continues in our industry with wonderful leadership and support of Augie's Quest.

Thanks and Appreciation to Joe Moore who came on board IHRSA as our President and CEO when John McCarthy retired. Joe has done a great job.

Thanks and Appreciation to all of the IHRSA Team, past and present, because it was their hard work that carried IRSA, and then IHRSA, from a small startup trade Association to become the world's largest, most prominent and most successful health, racquet and sportsclub trade Association.

Thanks and Appreciation to all of the IRSA and IHRSA Board Members who've dedicated and contributed their very valuable time serving the Association without compensation during these first 35 years. Their work and travel that all Board Members, past and present, have put in should be always be remembered and recognized for being so very important as it was, and we should acknowledge their efforts as very crucial in making IHRSA the 35-Year success that it has been.

Thanks and Appreciation to all IHRSA Member Club owners who made the decision to financially support and help make IRSA/IHRSA the truly roaring success it has become... it could not have been done without all of your support, both spiritually and financially!

Thanks and Appreciation to all the manufacturers, vendors and suppliers who became dues-paying IHRSA Associate Members and who've financially supported the IRSA/IHRSA Trade Shows very strongly.

Club Insider would like to close this article celebrating IHRSA's 35th Anniversary with the hope and wish that IHRSA will continue to thrive and prosper and that YOU and YOUR success in our wonderful industry will be alive and well for many years to come! **Stay tuned, Folks!**

(*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 23rd 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. Cates may be reached by phone at* **770-635-7578** *or email at* **Norm@clubinsideronline.com**)

Joe Moore

Anita Lawler

Meredtih Poppler

John McCarthy, E.D. Emeritus

Kevin McHugh

Norm Cates

Augie Nieto

Past Presidents and Chairpersons of IHRSA

Norm Cates | 1981 - 1982
Rick Caro | 1982 - 1983
Todd Pulis | 1983 - 1984
Ted Torcivia | 1984 - 1985
Jim Gerber | 1985 - 1986
Bob Fitzgerald | 1986 - 1987
Tom Lyneis | 1987 - 1988
Wayne Westwood | 1988 - 1989
Bob Larsen | 1989 - 1990
Mitch Wald | 1990 - 1991
Cecil Spearman | 1991 - 1992
Bruce Buckbee | 1992 - 1993
Larry Krieger | 1993 - 1994
Rob Goldman | 1994 - 1995
Frank Napolitano | 1995 - 1996
Steve Tharrett | 1996 - 1997
Ben Emdin | 1997 - 1998
Annbeth Eschbach | 1998 - 1999
Gale Landers | 1999 - 2000
Joe Cirulli | 2000 - 2001
Geoff Dyer | 2001 - 2002
Tom Behan | 2003 - 2004
Julie Main | 2004 - 2005
Joe Moore | 2005 - 2006
Michael Levy | 2006 - 2008
Gene LaMott | 2008 - 2009
David Patchell-Evans | 2009 - 2010
Art Curtis | 2010 - 2012
Bill McBride | 2012 - 2013
Brent Darden | 2013 - 2014
Robert Brewster | 2014 - 2015
Molly Kemmer | 2015 - 2016
Rasmus Ingerslev | 2016 - 2017

IHRSA
Success By Association

Norm Cates' CLUB INSIDER
The Pulse of the Health and Fitness Club Industry

10 Tax Time Tips for Your Fitness Business

By: Melissa Knowles

Tax day (*April 18th this year*) has come and gone... and now's a great time to start the prep work for filing your business taxes for next year. As with all other aspects of your business, organization, proper planning and consistency are hugely important in making tax season as painless as possible.

Read the 10 Tips that follow to ensure that next year's filing is smooth sailing:

1. Prepare early. Not surprisingly, this ranks top on our list. Procrastination will not serve you well when it comes to ensuring the documentation needed for your taxes are in order. Late filings and amendments can cost time and money. When you fail to file a Form 1120 (due March 15th for corporations and April 15th for LLCs), the corporation is charged a monthly penalty that's equal to 5% of any income tax that remains unpaid. In addition to the penalties for failing to file, the IRS can charge the corporation a separate penalty for paying taxes after the filing deadline. This penalty will increase the amount of tax that the corporation owes by .5% for each month it remains unpaid.

2. Be consistent. Ensure that your accounting and bookkeeping practices are accurate and occurring on a schedule. Make sure your expenses are reconciled, tracked and supported with receipts. At a minimum, spend time at least monthly to review your accounts: receivable, payable, credit card transactions, cash flow, etc. You also want to ensure that all expenses and revenues are booked according to the same system each month. Keep a depreciation schedule for all major asset purchases. Make sure the schedule includes: date put into service, original cost, accumulated depreciation up to this tax year, business use percentage (if applicable) and recovery period of the asset. You'll also need any Section 170 Expense taken in the first year of service.

Melissa Knowles

3. Make sure you have W-9s on file. If you're paying anyone as an independent contractor and their total payment exceeds $600 (or the payment is for legal services), you'll need to provide them with form 1099-MISC by January 31st.

4. Take advantage of your liabilities. If you're on an accrual basis, make sure you accrue liabilities that occurred within the fiscal year to take advantage of the tax deduction. If you're on a cash basis, make sure you stroke a check for any outstanding liabilities prior to year-end to reduce your profit.

5. Be mindful of state apportionment. Have locations in multiple states? Then you need to prepare for state apportionment. Make sure you're dividing your revenue, expenses and payroll appropriately throughout the year.

6. Don't forget about the ACA reporting requirements. Do you understand what your business' requirements are under the Affordable Care Act (ACA)? Reporting was due to employees in January. The filing due to the IRS has been extended from March 31st to June 30th (if filing electronically) and from February 29th to May 31st (if not filing electronically). Penalties are in place this year for failure to report or provide adequate coverage. *Make sure you look into the Small Business Health Care Tax Credit, which is in place to help small businesses with low- and*

*(See **Melissa Knowles** Page 25)*

ClubReady Acquires GymHQ

By: Norm Cates

Club Insider was introduced to Gym HQ, a company based in Peachtree Corners, Georgia on the Northside of Atlanta area when they contacted me via email. However, it wasn't until I received an emailed comment about Gym HQ from Gordon Johnson, a long-time industry friend, and Gold's Gym owner in the Douglasville, Georgia area, that I actually spoke with Melissa Knowles, CEO of Gym HQ. From that conversation with Melissa, I arranged a meeting with her and her partners at Gym HQ. Melissa, John Lewin, Jonathan Hill and I met at their office, and an hour and a half later, our meeting ended. By then, I'd discovered what I believed to be an excellent company that could really help you, our **Club Insider** readers.

I felt that way, partly, because during my 20+ years as a club developer, owner and operator, I too, had experienced a need for qualified and experienced back office help. But, having previously been in a 4+ year partnership with one of our four partners being a gifted and very hard working CPA, Lyle Ray Irwin (in our Courtsouth days in Atlanta), I'd only be telling a lie if I told you I'd actually obtained such qualified help after our 4+ year partnership ended on May 1, 1981.

The real truth is the back office experiences I went through after I was on my own with four clubs, to say the least, were very costly and truly exasperating. I thought back then that, IF I was ever lucky enough to do it all over again, I'd have brought on truly professional help, like Lyle Ray Irwin, in my own club back offices. I really wish I had found professional help such as Gym HQ.

After Gym HQ had been advertising in **Club Insider** since November, 2015, fast forward six months to a few days before this writing when I was informed by Melissa Knowles that their company, Gym HQ, had been acquired by Brad Denton's St. Louis-based ClubReady, a company founded and owned by Denton and his partner, Andrew McMaster.

ClubReady CEO, Brad Denton, Comments on Gym HQ Acquisition

Club Insider (C.I.) - Who are the principals of ClubReady in addition to you?
Brad Denton (BD) - My business partner, Andrew McMaster. The two of us originally founded ClubReady in 2007.

C.I. - Brad, what's the Mission of ClubReady?
BD - To make complex software simple.

C.I. - What were you and Andrew doing before you launched ClubReady?
BD - I was with a technology company out of South Florida, and Andrew was with a chemical company out of New Orleans, LA. We were both what I would call very traditional large enterprise employees for Fortune 1000 companies. In 2006, I started a small fitness studio in Weston, Florida. That's how ClubReady was essentially started. I was looking for web-based software in 2006. Shortly after, I was introduced to Andrew by my brother in 2007, and then, we started ClubReady.

C.I. - In addition to acquiring Gym HQ, what other companies, if any, has ClubReady acquired and when?
BD - In May of 2014, we acquired a company in California called FitBPO, which was really a software company that ran a number of chains here in the United States: Crunch Corporate, UFC Corporate and a few others in Mexico.

C.I. - Why did ClubReady acquire Gym HQ?
BD - FitBPO was really a software and a customer acquisition play and was the first company we acquired. The second, Gym HQ, was purely to launch us into the service layer at a high level. ClubReady had always been known for really good software and billing... that's kind of been our meat and potatoes, if you will. We had tried to stay away from what I call the service layer in our industry. Traditionally, there are really two types of service: one is what's called the Past Due Communication or Late Pay, and the second is customer service. So, this gave clubs the ability to outsource their customer service team. That's traditional, but this adds to that. We feel there is an absolute massive demand for other services, and that will include your payroll services, your accounting services, your contract compliance services and your HR Services (wage and hour compliances). It's a whole layer of services. We're serving a lot of franchisors that are selling franchises to people who don't have fitness business experience. Typically, they will come in and put up 3 - 4 units, and they know nothing about the fitness business. So, we're being asked to provide not only software and billing services but other services to these franchisees. We provide everything they need.

C.I. - Brad, what other things about ClubReady and Gym HQ do you think our readers need to and would like to know about?
BD - I see massive growth for ClubReady as a company, not just in North America but outside North America. That's really driven by really strong franchise brands. We have some strong franchise brands, and we are going with them around the globe. There are not many billing or software companies that can say that. I think that's important.

Also, we are the only company with a really strong emphasis on what we call CRM Lead Management/Prospect Management. We are the first company in the U.S. that has essentially taken their club system and carved out a piece of it and said, 'Now, we're going out to the market with a subset or another version of ClubReady, and it's called LeadSpeak.'

Comments From Melissa Knowles, Gym HQ CEO

We spoke with Melissa Knowles, former Gym HQ CEO, and now Vice President of ClubReady (post acquisition), to hear her comments on the March 1, 2016 acquisition of her company.

Club Insider (C.I.) - Melissa, please tell us what you think about the recent acquisition of your company, Gym HQ by ClubReady.
Melissa Knowles (MK) - We're thrilled! When we started Gym HQ, we knew we were missing the technology component in our ownership group. It was for that reason, plus our longstanding business relationship with Brad, Andrew, and the ClubReady team, that we brought them in as minority partners. We figured then that in 3 - 5 years, it would likely make sense for ClubReady to acquire us. It looks like we were way ahead of schedule! We're very excited about the infrastructure, access to a talented team and vast network this acquisition provides. It's a huge opportunity for my team and me. And, for ClubReady, we provide a service offering under their banner that no other software or billing platform is currently providing! A gym owner can truly have every aspect of their back office handled by one team. It's a game changer.

C.I. - Melissa, what would you like to say directly to all of your clients and to any prospective Gym HQ client at this time?
MK - You only have so many hours in the day. Why not spend them where you really should: managing your sales team, making sure your members are thrilled with your facilities and services and growing your business. You can add back all of that time you and your team are spending attempting to ensure your back office is handled properly by letting the experts here at Gym HQ do it for you! We offer truly scalable and affordable services for all fitness businesses, from studios to mega clubs to franchise systems!

• • •

Thanks to Brad Denton and Melissa Knowles for sharing a few of the details of their recent deal with us.

(Norm Cates is the Publisher of **Club Insider***)*

...Melissa Knowles

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moderate-income workers afford the cost of coverage.

7. Avoid payroll mistakes. Payroll tax compliance is something that many small business owners struggle with. The financial consequences of getting it wrong aren't pleasant either. Statistics show that approximately 40% of small businesses incur an average of $845 per year in IRS penalties (not to mention issues with the states in which they operate). To make sure that your payroll taxes are deposited correctly, consider outsourcing your payroll function. The benefits often far outweigh the fees.

8. Ensure your (State Unemployment Insurance) SUI rates are accurate. Each year, the state(s) mail out a new unemployment experience rating for the coming year. Make sure you update yours with your payroll team. Failure to do so can result in underpaying and receiving a nice bill, with interest, or overpaying and jumping through the hoops required to get a refund back from the state.

9. It isn't only the IRS. The IRS is only a piece of the tax puzzle. You'll want to be mindful of other tax obligations like property, payroll, local taxes, excise tax, self-employment taxes, etc. Failure to meet deadlines can result in some serious fees.

10. If you're not prepared, file an extension. If you haven't heeded our advice and find yourself staring down a rapidly approaching deadline, it is likely that the easiest way to avoid late-filing penalties is to file Form 7004 to obtain an extension of time to file. If the 7004 is filed by the original tax return filing deadline, you'll have an additional six months to file the Form 1120. However, the extension doesn't give you more time to pay the tax you owe, so it's best to estimate how much tax is owed and pay as much of it as possible by the original filing deadline to minimize late-payment penalties.

The beginning of the year is a great time to do a vital statistics check on your business. Many of the practices required to satisfy Uncle Sam will benefit the overall health of your business. So, consider each of these pointers as time well spent. Happy tax planning!

(Melissa Knowles is CEO of GymHQ, an Atlanta area-based company, which was recently acquired by ClubReady. Melissa can be reached at **mknowles@gymhq.club***)*

Norm Cates' CLUB INSIDER
The Pulse of the Health and Fitness Club Industry

How to Best Use Space for a Great Design

By: Bruce Carter

No matter what the size of club we have dealt with over the years, whether it was 5,000 square feet or 200,000 square feet, there always seemed to be a need for more space. Therefore, getting the most successful use out of your available square footage is an optimal goal. However, it is common to try and "put four quarts into a 3-quart container." When this happens, the result is often an inefficient and non-functional operation.

In an effort to compete with larger clubs, the viewpoint by smaller operations can often be to try and offer more facilities and programs, even if the space does not sensibly allow this. So, the end results are areas that don't work well, overcrowding and uncomfortable traffic flows. Often, it's better to offer less, and then be the best at what you do, which can be better than offering *a lot* but only being *average* in *everything.*

This principle is a reason there's growth in single purpose or smaller boutique clubs. The concept is to offer a better specialized space and programming for spinning, group personal training, yoga or other classes.

Key questions such as, "how big should a group exercise or yoga room be," are only answered by looking at the overall facility and program offering relative to the size of the facility and then deciding how to divide up the spaces optimally, where the areas offered are going to result in the highest revenue per square foot for the club.

Therefore, there is no correct size for yoga, cycling or group exercise space. It all depends on your other offerings, type of club, competition, amount of total space available and your budget.

It should be noted that this decision-making process can apply to both a new facility and also to a renovation of an existing club when deciding on what spaces may be repurposed for more revenue producing in-demand programming.

In an effort to make sure that you are allowing enough necessary space for important areas, here are some general parameters to go by. If you take a look at the space needed per person, equipment types and the numbers of people you ideally want to provide for, you can then better decide what size spaces should be.

What Size Spaces Should Be...

Lobby Areas: For a typical fitness club, the reception desk should be a minimum of eight feet from the front door (10 feet - 12 feet is better). However, the socialization of clubs has increased the demand for more seating areas, so count on a *minimum of 75 square feet for this area.* As a side note, stay away from couches because they take up more space, but often, no more than two people sit on them so individual comfort chairs are better.

Retail in clubs is not what it used to be, so most clubs don't allocate space for this. But, a spacious, more inviting lobby and seating area is clearly a positive trend for clubs. It's often thought this is taking away from exercise space. But, space for social areas can be as important as exercise space in creating a favorable first impression and in retaining members.

Exercise Areas: The s*quare footage for conditioning equipment on average is 40 square feet, including the movement of using the machine. Plan on approximately three feet around the perimeter of a machine. Cardio equipment machines (treadmills and ellipticals) on average take up approximately 25 square feet.*

Bruce Carter

The *square footage needed per person* for a *group exercise* class is 40 - 50 *square feet, or more, depending on the type*

*(See **Bruce Carter** Page 27)*

iGo Owner Dashboard Launched at IHRSA 2016

HOUSTON, TX - At IHRSA 2016 in Orlando, iGo Figure Fitness Club Management Software announced a new tool called the iGo Owner Dashboard to help franchisors and multiple club owners control how their fitness clubs are operated. With it, a franchisor/multi-club owner can easily access the data in all of their clubs, run comparative reports, identify underperforming clubs and much more.

The iGo Owner Dashboard allows the creation of contract and pricing standards, consistent member retention and prospect messaging and can even calculate and collect franchise fees. "Our franchise and multiple club owner customers love it," says Kyle Zagrodzky, CEO of iGo Figure Software. "Now, they can set minimum pricing for all their contracts, so one franchisee does not undercut another. They can also create a consistent branding message to members with automated retention emails that go out to members highlighting whatever they want," Zagrodzky continued.

One of the favorite features is the franchise fee collection. "Its amazing how much time and effort some franchisors spend collecting franchise fees," Zagrodzky said. "Now, the fees can be automatically collected from the franchisees."

"With the available comparative reporting, it's really easy to see which clubs are your rock stars, and which ones need some extra help," he added. "Some are running contests each month for the club that gets the most new members with some great results."

For more information, visit **www.fitnessclubmanagementsoftware.com** or call **(866) 532 - 9588**.

...Bruce Carter

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of class. This applies to classes such as Zumba, yoga and stretching. Group cycling on average needs 20 square feet per bike. Suspension training needs approximately a 6-foot-wide by 8-foot-long space.

There is a clear trend evolving with exercise areas: the need for open floor space for stretching and functional training movements areas becoming as important as areas for free weights, individual muscular conditioning machines and cardio. Therefore, how space gets allocated is different than it used to be. In general, personal trainers have more income potential utilizing open functional training areas than with individual machine areas.

Locker Rooms: A surprising number of clubs have locker rooms designed in a manner that allows people to see into the locker rooms. Trying to save space is the reason for this. Often, the assumption is that doors prevent this visibility. But, when the doors are opened, people can see inside. So, a rule of thumb is that 100 square feet is needed to allow for an entry into a locker room where people cannot see inside. Use either a minimum of 4-foot-wide flow (64 square feet) for clubs with fewer than 1,000 members and a 5-foot-wide flow width with clubs over 1,000 members. The 5-foot-wide space also applies for flows in locker rooms going to and from lockers, toilets and showers.

The minimum distance between two rows of lockers that face each other is eight feet. Often, locker rooms are designed with a certain number of locker openings. But, space between the rows of lockers is too limited. Therefore, only a minimum number of people can actually access lockers, so the total number of lockers that are readily assessable can be considerably less than the total count.

A general rule for a person standing is to allow for nine square feet (3 feet by 3 feet) so someone can go past that person without the person standing having to move. This applies whether standing at a reception desk, in a hallway or standing in front of a sink in a locker room. A key life safety/fire code requires an unencumbered flow of 5-feet-wide (including hallways) to get to an exit.

The ADA American with Disabilities Act requires, in general, that any space a non-handicapped person can get to a handicapped person should be able to get to the same space. This includes bathrooms, sinks, drinking fountains, reception desk access, doorway widths, etc. This code is somewhat complicated. For example, if you have a mezzanine, you may not need to have handicap accessibility if what is on the deck (such as cardio equipment) is also available on the ground level. If you are working with a designer or architect, he will know the code, and if not, then Goggle ADA codes. It will show what sizes and spaces are needed to meet the code. The ultimate decision maker for space needed to comply with certain codes, such as life safety or handicap, will rest with the local building inspector.

With startup and renovation money being more challenging to find, the size of clubs has decreased. This then increases the need to be more space efficient. Making people feel comfortable in any space is one of your ultimate goals. So, prioritizing what you want to do with the space is an integral part of a successful operation. Successful space planning often involves trying a number of different options before you come up with the optimal solution, so the more you know about the variables that affect the sizes of spaces you want to create, the more successful your operation will be.

(Bruce Carter is the Founder and CEO of Optimal Design Systems International, one of the world's leading design firms in the wellness industry, and he can be reached by phone at **954-888-5960** *or email at* **bruce@optimaldsi.com**. *Learn more at* **www.optimaldsi.com**)

Sports & Fitness Insurance Celebrating 30 Years Insuring the Fitness Industry

MADISON, MS - With the formation of John F. Kennedy's President's Council on Physical Fitness in the 1960s, a new era in exercise science and technology began. America's early obsession with physical fitness had people jogging, bicycling, swimming and weight lifting. By the 1980s, the obsession was in full swing and Fitness had become an industry. But, even as health clubs continued to pop up across the country, traditional insurance providers viewed them as a highly speculative, niche market.

As owners struggled to insure their clubs, a man named Glynne Simpson stepped in to fill the void.

With a small staff of... two, Simpson's company was the original insurer for the manufacturer of Nautilus brand exercise equipment. With the help of Nautilus's Vice President of Sales and Marketing, John Urmston, Simpson designed the first policies that would be sold by his new company, Sports & Fitness Insurance Corporation, founded in 1985.

When Nautilus salespeople began recommending the company as a preferred insurer to their clients, Simpson began to realize the potential of this new industry. So, he headed to his first conference of the International Racquet Sports Association (IRSA) to see what other business he could drum up.

He showed up at the Hilton with nothing but a card table and a white poster board with the word *Insurance* written on it. That humble tactic paid off in a big way. For more than a decade, SFIC was the only general liability provider recommended by IHRSA.

Still Going Strong

Today, SFIC is one of the largest fitness underwriting companies in the nation, with about 25 people on staff at the company's headquarters in Madison, Mississippi as well as an office in Charlotte, North Carolina. The company is licensed in all 50 states, has over 14,000 active policies for health clubs and individual trainers and yoga instructors nationwide and is endorsed by a number of industry partners and franchises, including Curves for Women.

John Urmston's daughter, Jennifer Urmston Lowe, remains with SFIC as their National Accounts Manager, and Simpson is still active in the business he started.

For 30 Years now, SFIC has focused solely on the health and fitness industry. Simpson has developed and continuously refined a unique comprehensive general liability policy for fitness professionals, as well as fitness studios and full service health clubs that are tailored to the unique needs of our industry. SFIC is the Managing General Agent for Liberty Mutual Insurance for the fitness industry, working with both Liberty Agents and Independent agents across the country.


Jennifer Urmston

For more information about Sports & Fitness Insurance, go to **www.sportsandfitness.com**.

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SATURDAY, OCTOBER 8, 2016
BROOKLYN, NEW YORK

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- Say yes! Contact your Club's Team Quest4ALS Captain and sign up!
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www.CLASSY.ORG/TEAMQUEST

Programming For The "*Fun Of It!*"

Step 3 of 7 to Becoming a Programming Professional

By: Laurie Cingle, M.Ed.

Present the Program to Prospects

A programming professional is a person who is an expert at the skills required to implement and fill programs. What does it take to become a programming professional in your facility? There are seven steps or skills: (1) Find program prospects, (2) Invite them to learn about and understand your program, (3) Present the program, (4) Follow up with program prospects, (5) Enroll them in the program, (6) Ensure success in the program and (7) Grow programs by promoting events and additional programs. Let's discuss **Step #3, Present the Program to Prospects.**

The presentation is a live event and can take many forms:

1. One-on-one meeting/appointment;
2. Group presentation;
3. Webinar;
4. Complimentary group demo class; and,
5. Large social/educational /motivational event at your facility.

When preparing each presentation, keep in mind the true role of a Pro. She is not a 1-person show, as she does not deliver every program at the facility. Your facility's program menu consists of different types of programs delivered by other teammates, personal trainers, Pilates trainers, fitness, aquatic, wellness, recreational staff and dietitians.

1. A Pro acts as a consultant, connecting prospects to tools, events and other experts to help them become educated. If a prospect asks a question, Pros guide them to the answer rather than answering directly.

2. Duplication is important in long-term programming success. Pros use tools instead of their own wisdom. Pros use live events instead of their own presentations. Pros use other teammates to give the facts instead of giving them themselves. Pros don't present themselves as experts; they just invite people to learn more about the program and let other teammates and resources provide the information. Pros bring passion, enthusiasm, excitement and belief. Then, invite professionally and let the other resources do the rest.

3. It is most effective to present the program to groups of people. Kick off the event by giving your personal testimonial or have a past program graduate give their testimonial. Every good story has four elements: **(A)** Your background, **(B)** things you didn't like about your background, **(C)** how this program came to the rescue, **(D)** your results or how you feel about your future.

Remember:

•A Pro is the messenger, not the message. Use other staff or resources as a tool.

•Learn to tell stories in a way that will make your prospects curious to hear more.


Laurie Cingle

•When presenting in front of a group of people, preparation is key.

(Laurie Cingle, M.Ed., is Regional Program Manager at Cleveland Clinic Akron General LifeStyle, a fitness business success coach and club consultant. Her specialties include creating successful club program champions through coaching, developing and operating non-dues revenue profit centers, establishing club market differentiation and designing programs that result in profit and retention. Contact her at **laurie@lauriecingle.com**.*)*

Thanks and Appreciation

At **Club Insider,** we are excited to be in our **23rd Year** of this home-based health and fitness club trade newspaper! The thought that this newspaper 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 23-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 8 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 **268** 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 15 years of continuous advertising with us. Plus, we have one advertiser, **National Gym Supply**, with over 21 years 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 *hundreds* and *hundreds* 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 23 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 eight cover stories per 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. 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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