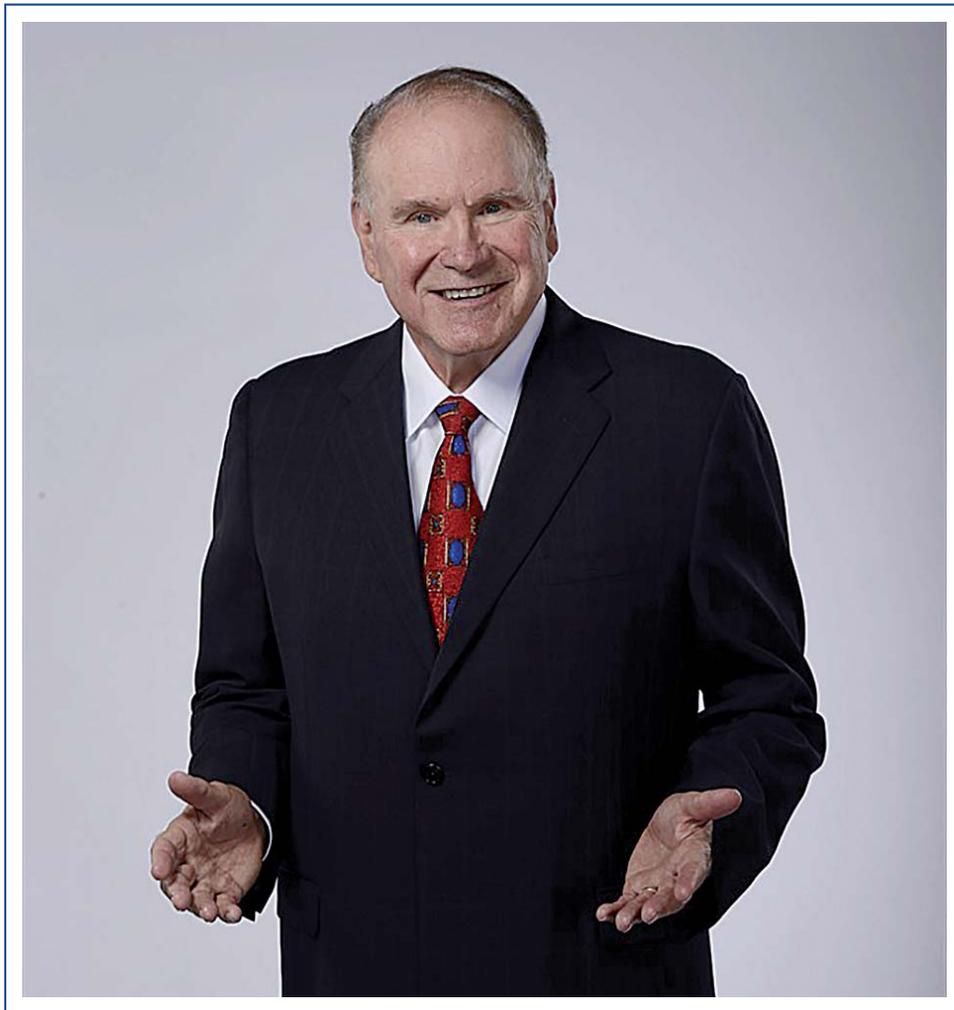


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The Pulse of the Health and Fitness Club Industry

Dr. Gerry Faust

Doctor of the Grand Problem Solving Event



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Norm Cates' CLUB INSIDER™

The Pulse of the Health and Fitness Club Industry

Dr. Gerry Faust

Doctor of the Grand Problem Solving Event

By: Justin Cates

Publisher's Note: Dr. Gerry Faust, 74, is truly one of a kind... a true gentleman and a vastly experienced and extremely highly qualified man in his field who leaves huge footprints in the world of high-level management training and education for all who follow him. Dr. Faust has produced some of the finest tools there are for business management training. And, he has created a host of Roundtable relationships where his clients share their knowledge, experience and talents with each other. He leads the groups so their sharing is, in essence, a guide for them to navigate the waters of business... no matter what the hazards may be.

The health and fitness club industry's best friend, Rick Caro, should be given full and total credit for discovering and bringing the great Dr. Gerry Faust to our industry because it was Rick who discovered Dr. Faust, vetted him and paved the way for him to establish four Faust Roundtable Groups. While doing so, this led to the spinning off of many more Roundtable groups produced and delivered to our industry by Dr. Faust's friend and long-time Associate, Will Phillips.

I also want to give credit to and say "Thank You" to Dr. Gerry Faust, Rick Caro and the entire Roundtable #1 for helping me create CLUB INSIDER at our January, 1993 Roundtable #1 meeting in Chicago. It was there that the late Jane Beusman said,

"Our industry needs a new publication - one that's irreverent, outspoken and "Tells-it-like-it-is!" And, that is what we created there that day (Miraculously now, and clear proof there is a God, CLUB INSIDER is on track to celebrate our 24th Anniversary at the Club Industry Show in Chicago, October 12th - 14th!). Ironically, three months after that Chicago meeting, at our Roundtable #1 Meeting in Del Mar, California, I was leading a brainstorming session in which 14 of us were present, and at one point, nine different people were throwing out ideas for the name of this irreverent, outspoken and "Tells-it-like-it-is" publication. Brother Curt Beusman, said, "Insider. NO! CLUB INSIDER!" I (See Dr. Gerry Faust Page 10)



Dr. Gerry Faust and Rick Caro at IHRSA 2016

Planet Fitness CEO, Chris Rondeau, Named 2016 EY Entrepreneur of the Year Award Winner In New England Region

NEWINGTON, NH - EY announced that Chris Rondeau, Chief Executive Officer of Planet Fitness, Inc. (NYSE: PLNT), one of the largest and fastest-growing franchisors and operators of fitness centers in the United States, received the EY Entrepreneur of the Year 2016 Award in the Consumer Services category in New England.

This year marks the 30th anniversary of the EY Entrepreneur of the Year Award program. The award recognizes outstanding entrepreneurs who demonstrate excellence and extraordinary success in areas such as innovation, financial performance and personal commitment to their businesses and communities.

(See Chris Rondeau Page 6)



Chris Rondeau, CEO of Planet Fitness

Planet Fitness Ranked One of The Best Franchises In America By Forbes

NEWINGTON, N.H. - Planet Fitness, Inc. (NYSE: PLNT), one of the largest and fastest-growing franchisors and operators of fitness centers in the United States, ranked #4 on Forbes' annual list of America's Best and Worst Franchises in the category of best franchises with an initial investment of \$500,000 and over.

"We are thrilled to be acknowledged as one of the best franchises in America," said Planet Fitness' Chief Executive Officer, Chris Rondeau. "The ranking further demonstrates that our easy-to-operate model, strong store-level economics and brand strength make for a highly attractive franchise system built for growth, one that has enabled us to attract a

(See Planet Fitness Page 6)



Inside The Insider

- A Letter From John McCarthy and Response From Justin Cates
- From One Club to Another: Three Ways to Keep Talent - **By:** Angie Pattengale
- Do You Have a Culture of Sales Accountability in Your Gym? - **By:** Jim Thomas
- Step 6 of 7 to Becoming a Programming Professional - **By:** Laurie Cingle
- Details Matter - **By:** Bill McBride
- And, of Course, *Norm's Notes*
- Achieving a Gold Medal in Customer Service - **By:** Melissa Knowles

Norm's Notes

• **Hello Everybody! This is your CLUB INSIDER Publisher and Tribal Leader Since 1993 checking in with monthly edition #271, and we are coming around the mountain to our 24th Anniversary! How SWEET IT IS! Haha!** I hope you will plan on getting in on our **24th Anniversary Celebration at The Club Industry Show in Chicago** since that **October 12-14th** event will mark **24 years since we launched CLUB INSIDER in 1993.**

• **Is America a great country, or what?!**

• We're very sorry to report the sad news that the **Mother** of our good friend, **JOE CIRULLI, MRS. FRANCES SARCONI CIRULLI, 88, of Gainesville, Florida, passed away on July 2nd. A Mass of Christian Burial was held on July 9th at The Queen of Peace Catholic Church, in Gainesville, Florida. The Reverend JEFFREY McCOWAN officiated. JUSTIN and I want to express our sincere condolences to Joe and his family for the loss of their beloved Mom. May Frances Cirulli Rest In Peace.**

• **Congratulations to CHRIS RONDEAU and to PLANET FITNESS as both of them have recently received special honors!** Chris was named as the **EY Entrepreneur Of The Year 2016 Award in the Consumer Services category in New England. And, Planet Fitness, Inc. (NYSE: PLNT), one of the largest and fastest-growing franchisors and operators**

of fitness centers in the U.S., **ranked #4 on Forbes' annual list of America's Best and Worst Franchises in the category of best franchises with an initial investment of \$500,000 and over. And, the Planet Fitness stock continues to climb closing at \$19.29 on July 7th!** It's really great to see this good news for Planet Fitness, **our long-time Inside Front Page Advertiser!** Check out the details on these honors, starting on **Page #3.**

• **DEREK BARTON, of California-based Barton Productions, Inc.,** has informed me that he's been hired by **24 Hour Fitness partners, MARK SMITH, FRANK NAPOLITANO and TOM LAPCEVIC,** to handle all the creative for their new brand, **BFit.** Derek tells me the first **BFit facility was launched in Moreno Valley, California in February.** Moreno Valley is about an hour and half from downtown **Los Angeles.** The second **BFit** was launched in **March outside Portland, Oregon in Keizer.** And, there are many more to come. The new **BFit** facilities are targeted, low-cost, high-volume fitness centers that are typically smaller than a standard 24 Hour Fitness facility, which often are 40,000 square feet or larger.

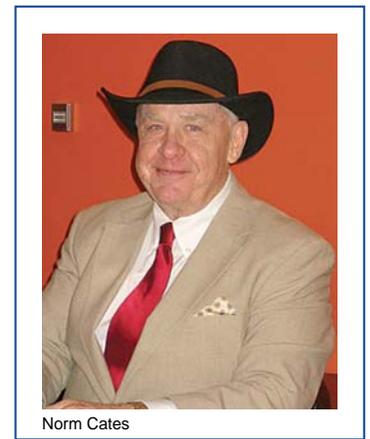
• **COLIN MILNER, the nice guy from Canada and very successful Founder of ICAA (International Council on Active Aging)** wants to celebrate your achievements, and he outlined his thoughts in an email blast on July 6th. His email

told us that, on **October 1, 2001,** the ICAA set out to change the way we age. **Colin writes:**

"Join us in celebrating your achievements as we mark ICAA's 15th Anniversary this fall. Share your stories of helping to "change the way we age" in your organization, community or region. Have views and expectations of aging shifted because of something you did? Are clients and colleagues now ambassadors for living well at any age? Do partners, sponsors and local media support your active-aging message? Tell us your most memorable moments from the past 15 years. *Email your stories and photos to info@icaa.cc by August 31,* and we'll consider them for publication in our journal or on ICAA's Facebook page. The person or organization submitting the **top story or photograph will receive a FitBit Blaze watch** that is as stylish as it is smart, **valued at \$249."**

So, congratulations in advance, Colin, on your upcoming **15th Anniversary of ICAA,** and please do us a favor and share the writing from the winner of your contest with **CLUB INSIDER** so our readers can help in your celebration!

• **Our good friend and CLUB INSIDER Contributing Author, BILL McBRIDE,** has contributed another great article this month entitled: **Details Matter,** and it appears on **Page #20. Trust me** when I say that, **IF** you have not yet figured out in



Norm Cates

our industry that **"Details Matter,"** you'll find great ideas in Bill's excellent article. Also, check out our other terrific article contributions this month from **MELISSA KNOWLES for Gym HQ, ANGIE PATTENGALE of National Federation of Professional Trainers,** and from **veteran contributors, JIM THOMAS and LAURIE CINGLE. I also want to say Thanks and express our sincere Appreciation to the very highly esteemed IHRSA 25-Year Executive Director Emeritus, BIG JOHN MCCARTHY,** for his very kind letter (reprinted on **Page #6**) to our Assistant Publisher, and my son, **JUSTIN CATES,** about his great June Cover Story with Las Vegas Athletic Club's **TODD SMITH.**

(See Norm's Notes Page 7)

About Club Insider

Established in 1993

23 Years and Counting!

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PUBLISHER and EDITOR - Norm Cates, Jr.
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CLUB INSIDER
 P.O. Box 681241
 Marietta, GA 30068
(O): (770) 635 - 7578
(F): (678) 826 - 0933

www.clubinsideronline.com

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Thank You to Our Contributing Authors

- **Rick Caro** - President, Management Vision, Inc. - (212) 987 - 4300
- **John McCarthy** - 25-Year Executive Director Emeritus of IHRSA
- **Joe Moore** - IHRSA President & CEO - (800) 228 - 4772
- **Angie Pattengale** - National Federation of Personal Trainers - (800) 729 - 6378
- **Bill McBride** - Founder, BMC3 - BillMcBride@bmc3.com
- **Bruce Carter** - President, Optimal Design Systems International - (954) 888 - 5960
- **Casey Conrad** - Communications Consultants - (800) 725 - 6147
- **Derek Barton** - Owner, Barton Productions - derek@bartonproductions.com
- **Donna Krech** - Founder and President, Thin & Healthy's Total Solutions - (419) 991 - 1223
- **Dr. Art Curtis** - President, Curtis Club Advisors - art@curtisclubadvisors.com
- **Jim Thomas** - President, Fitness Management USA - (800) 929 - 2898
- **Jon Butts** - President, Muscle Up Marketing - jon@muscleupmarketing.com
- **Karen Woodard-Chavez** - President, Premium Performance Training - karen@karenwoodard.com
- **Laurie Cingle** - President, Laurie Cingle Consulting and Coaching - laurie@lauriecingle.com
- **Melissa Knowles** - VP of Gym HQ, A ClubReady Company - mknowles@gymhq.club
- **Nancy Trent** - Founder, Nancy Trent & Company - nancy@trentandcompany.com
- **Paul Bosley** - Owner, Business Finance Depot - (800) 788 - 3884
- **Paul R. Bedard, Esquire** - Crunch Fitness Connecticut - paul@crunchct.com
- **Robin Schuette** - Co-owner, MedFit Partners - rschuette@medfitpartners.com
- **Ron Alterio** - National Sales Director, Visual Fitness Planner - ron@myvfp.com
- **Stephen Tharrett** - Co-Founder and Principal, ClubIntel - (866) 691 - 9223
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A Letter From John McCarthy

Dear Todd, Chad, Norm and Justin,

I just finished reading every single word of the wonderful interview article on LVAC in the latest edition of CLUB INSIDER.

This wonderful article has to be one of your all-time masterpieces...

It contains not only the fabulous history of LVAC, but also, tangentially, the history of so many of the historic leaders of the industry back almost to its beginning..... Jack LaLanne, Ray Wilson, Don Wildman, your wonderful Dad and Mom (Rudy and Virginia), Andy Palluck, Bill Pearl, etc., etc., etc.

To Norm and Justin, for putting this masterpiece together, my warmest congratulations

And, to Todd and Chad, for being the leaders that you are, and for carrying forward the heritage of your magnificent Mom and Dad, BRAVO! Bravo to you and to your LVACTeam...

What a story! What a fabulous story!!!

-John McCarthy

A Response From Justin Cates

Good Afternoon Everyone,

Mr. McCarthy, my vocabulary falls short on this one because all I can say is: **WOW, thank you for the truly kind words.** Coming from you, they mean more than I can express. It is an honor to have you read my work, and I am pleased to know that these works are telling the stories thoroughly.

Todd and Chad, I want to thank you both again for your time and the opportunity to share the updated LVAC story as well as remind our readers of the pioneers that layed the track for our industry to expand to what it has become and the future it has. It is such an exciting time!

And, of course, Dad, thank you for the opportunity to get to do something that I love! I still haven't worked a day since college! Haha

My Best to You All,

-Justin Cates

...Chris Rondeau

continued from page 3

"I'm incredibly honored to receive this prestigious award, especially in the Customer Services category," said Planet Fitness' Chief Executive Officer, Chris Rondeau. "Planet Fitness was

founded with the purpose to enhance people's lives by providing an affordable, high-quality fitness experience in a non-intimidating environment where everyone feels like they belong. My passion for my work is continuously inspired by the drive to deliver value for our members and success for our franchisees."

Chris Rondeau has been with Planet Fitness for over 20 years and has played a key role in developing the fitness concept that has revolutionized the fitness industry with its extremely low prices and hassle-free, non-intimidating environment called the Judgement Free Zone. Mr. Rondeau has served as Chief Executive Officer since 2012, leading the \$1.5 billion business and franchising powerhouse, which currently has more than 8 million members and over 1,100 stores in the U.S., Puerto Rico, Canada and the Dominican Republic.

Chris Rondeau was selected by an independent panel of judges, and the award was presented at a special gala event at the Marriott Copley Place in Boston, MA on June 23, 2016. Since 1986, EY has honored entrepreneurs whose ingenuity, spirit of

innovation and discipline have propelled their companies' success, invigorated their industries, and benefited their communities. As a New England award winner, Chris Rondeau is now eligible for consideration for the Entrepreneur of the Year 2016 national program. Award winners in several national categories, as well as the Entrepreneur of the Year National Overall Award winner, will be announced at the Entrepreneur of the Year National Awards gala in Palm Springs, California, on November 19, 2016. The awards are the culminating event of the Strategic Growth Forum, the nation's most prestigious gathering of high-growth, market-leading companies. The U.S. Entrepreneur of the Year Overall Award winner then moves on to compete for the World Entrepreneur of the Year Award in Monaco in June 2017.

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...Planet Fitness

continued from page 3

team of passionate, successful franchisees from a variety of industries."

In 2015, Planet Fitness opened 209 new clubs with more than 90% opened by the existing franchisee base. As of March 31, 2016, Planet Fitness franchisees have signed ADAs to open more than 1,000 additional stores over the next five years. The streamlined model features relatively fixed labor costs, minimal inventory, automatic billing and limited cash transactions with stores that are successful across a wide range of geographies and demographics with varying population densities. Planet Fitness also recently earned the number one position on the Franchise Times "Fast & Serious" list, which ranks the smartest-growing franchise brands that have

staying power.

Forbes commissioned industry research firm FRANdata to develop the methodology that ranks emerging and mature franchise brands on "health and appeal" from the perspective of franchisees to create their annual ranking. FRANdata ranked brands according to the price of admission in three categories: up to \$150,000; between \$150,001 and \$500,000; and \$500,000 and up. FRANdata looked at 5-year growth rates and 5-year continuity rates, a measure of how often an individual franchise has changed hands, among other factors, to make its determination. One addition to this year's methodology is value for investment, a component that assesses unit economics and return on investment.

For more information about franchise opportunities at Planet Fitness visit www.planetfitness.com/franchising.

...Norm's Notes

continued from page 4

• **One thing** we've decided to do with **CLUB INSIDER** from now on is to try our best every month to introduce and provide *exposure* and *publicity* to a good cause we've learned about somewhere in America. We'd appreciate your help by **sending us the name and contact information for any and all charitable organizations that are doing good things for people.** And, to that end, just last night, I came across an organization on TV called **Hospitality Homes.** Hospitality Homes is a **Boston-based organization** that exists for the sole purpose of helping families who have a family member in the hospital for extended periods of time to have a place to stay... without any cost to them. This organization can be a real lifesaver for families who must be by their loved one's bedside over extended periods lasting months, if not years. Here's what the Hospitality Homes Website, www.hosp.org, has to say, and I quote:

Hospitality Homes is a nonprofit organization that provides short-term housing in volunteer host homes for families and friends of patients receiving medical care in the Boston area. Its services are free of charge and are made possible by the generosity of the volunteer hosts and supporters. **Founded in 1983,** Hospitality Homes was the first program of its kind in the nation. Since then, it has **served more than 15,300 families.** The need for convenient, caring and cost-free accommodations for patients' family members increases every year.

So folks, if you or anybody you know in the Boston area has someone in a hospital there, and they don't live in the area, thus they must stay in a hotel, then you definitely should take a moment to tell them about Hospitality Homes and suggest that they go to www.hosp.org or they call (888) 595 - 4678. And, as we receive **new information on such organizations, CLUB INSIDER will spread the word as a public service.**

• **The IDEA World Conference** is happening **July 13th - 17th,** as we go to press, and we thought that, since our **Contributing Author and CLUB INSIDER Advertiser, ANGIE PATTENGALE, of the National Federation of Professional Trainers** was going to be there exhibiting their organization, I'd ask her to file a report on interesting things she saw there. **SO... Stay Tuned to our August edition** for that report. **Angie will be assisted by her friend, BEVERLY HOSFORD, who just happens to be a Blogger,** so this should be **FUN** and interesting reading. **Stay Tuned for our August, 2016 Edition!**

• **ANNBETH ESCHBACH** will be honored on **Thursday, October 13th** with **Club Industry's 14th Annual**

Lifetime Achievement Award at 4:15PM, and immediately after that, **BO BURLINGHAM** will be the **Keynote Speaker at The Club Industry Show, to be held at the Hyatt Regency Chicago.** Burlingham is the author of five business books including: **Small Giants: Companies that Choose to Be Great Instead of Big and Finish Big: How Great Entrepreneurs Exit Their Companies on Top.** Don't miss the **Club Industry Trade Show, to be held at the Hotel Thursday, October 13th, from 10AM to 4PM, and Friday, October 14th, from 10AM to 2PM.** Several **CLUB INSIDER Advertisers will be there to meet and greet you,** and I hope you'll fit in and schedule time in your academic conference schedule **to stop by our Advertisers' Trade Show exhibits** and consider doing business with all of these great folks because they'll always treat you right. All of the Club Industry Exhibitors go through a heck of a lot of costs for travel, shipping and hotel stays to be there just so they may talk to you in person... **face to face. Here are the CLUB INSIDER advertisers you will see in Chicago:**

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• **Here in my hometown of Marietta, Georgia, COACH DAVE SAVULA, was one of a kind. A multi-millionaire through his 25-year career with Legal Shield,** a company that provides legal services to consumers, this great man was one admired by all. He coached my son, **JUSTIN CATES,** in football while **Justin was in the 7th and 8th grades, including an undefeated championship season. The man coached these youngsters for 29 years... without any financial compensation. And, a WINNING COACH he was!** I attended **Coach Savula's Funeral at Holy Innocents Episcopal Church in Atlanta,** and the large church was packed with over 300 people from all over the country who loved him. So, it's with great sadness that I write to **Coach Savula's wife, BEVERLY; their two sons, DAVID JOHN and MICHAEL P; grandchildren ANDREW, JAMIE and MORGAN; and sister, JOAN MOULTON, that WE ALL are very sorry for your loss.** The truth is this was a **huge LOSS** for all of us who knew and respected this fine man. Here is what my son, **JUSTIN,** had to say about **Coach Dave Savula:**

"There have been a few key decisions and watershed moments that have defined who I would become as a person in the one life I have been given to live. One of those was my decision to begin playing the great game of football. There is no game like it that can match the symbolism it shares

with life: *the ups, the downs, the triumphs and the defeats.* Shortly after that important decision was made, I met Coach Dave Savula. In our first season, our team went undefeated to win the State Championship for our age division. Winning can be easy, but winning humbly can be a lot more challenging; Coach taught us how to do that. The following year, we once again went undefeated in the regular season and found ourselves in the championship game. This time, however, we lost. For a group of 14- and 15-year olds who had known nothing but victory in our time together, it was very difficult. Once again, Coach was there with us through it all. In these

two small, yet important, examples of the countless ones I can think of, Dave Savula exemplified what he strived to be: a coach, a mentor, a guide, a friend. Later, year after year, when I would run into Coach, he would still know my name, though I know he had coached thousands of kids to that point. That was the final lesson I learned. I strive to be like Coach; he was one in a million! **Thank you Coach Savula."**

May Coach DAVE SAVULA Rest In Peace.

• **Here is one for the ages,** and anybody reading this with a swimming pool in *(See Norm's Notes Page 8)*

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...Norm's Notes

continued from page 4

your club, or at your home, should check this out. Did you know that **drowning is the #1 Cause For Unintentional Injury Death For Kids 1 to 4 Years Of Age?** This from the American College of Emergency Physicians (ACEP), based in Dallas, Texas:

Summer's here, which means millions of people will hit the pools, beaches and lakes to cool off and take in the sun. The nation's emergency physicians strongly advise all parents and guardians to get their children

familiar with water, specifically teaching them to swim safely as early as possible. 'It only takes a few seconds and a few inches of water for a child to drown,' said **DR. JAY KAPLAN, President of ACEP.** 'While it's impossible to predict and prevent every scenario, you can take steps to protect kids and still enjoy the water.' Drowning is the leading cause of unintentional injury death among children between one and four years of age, with almost 400 cases reported in 2014, according to the **Centers for Disease Control and Prevention.** Young children aren't the only ones affected. Every day, about ten people die from unintentional drowning. Overall, it ranks fifth for

unintentional injury death in the United States. More than 50% of drowning victims who are treated at emergency departments require extended hospitalization or long-term care. **Several factors can contribute to a person drowning, and obviously, not all of them can be controlled. However, steps can be taken to keep a child, and even an adult, safe as possible when near or in the water:**

Supervise Young Children - They must be watched at all times when near the water. It can take only a matter of seconds for a child to accidentally drown when an adult turns away.

Learn to Swim - Formal swim lessons can protect people, especially young children, from drowning.

Learn CPR - It can take paramedics several minutes to arrive. Having CPR skills often times can mean the difference between life and death or permanent brain damage.

Use the Buddy System - Never swim alone. Always be with someone. Swim in areas that have lifeguards on duty, if possible.

Don't Drink and Swim - Drinking alcohol while on a boat or swimming in the water can severely impair a person's judgment and cognitive skills. Also, never drink alcohol while supervising children.

Use Life Jackets - When on a boat, make sure the number of (Coast Guard approved) life jackets match the number of passengers on the boat and that they are easily accessible in case of emergency. Young children should have a life vest on at all times in a boat or in the water. Potentially half of all boating deaths might be prevented with the use of life jackets.

Air-Filled or Foam Toys Not Safety Devices - These toys are not substitutes for life jackets and are not designed to keep swimmers safe.

Be Aware of Weather Conditions - If strong winds or heavy thunderstorms and

lightning roll in, get out of the water and seek shelter immediately.

Understand Waves and Rip Currents - If on the beach, watch for dangerous waves and rip currents. If caught in a rip current, swim parallel to the shore. Do not try to swim against the tide because you will lose. Once free of the current, swim toward the shore.

Don't Overestimate Your Swimming Ability - Everyone has limits, even the most experienced of swimmers.

For more information on drowning or other health-related topics, please go to www.EmergencyCareForYou.org.

• **JUSTIN and I want to say Thank You for reading CLUB INSIDER!**

• **CLUB INSIDER is a Paid Subscription based Publication with a money back guarantee on all new subscriptions.** Are you a Paid Subscriber? If the words **PROMOTIONAL COPY** appear above your name and address on the cover of this month's edition, *you are not a Paid Subscriber*, and you are not enjoying the full benefits of a Paid Subscription to CLUB INSIDER, which includes **one year of new editions** (print and online) and **online access to all previous 22 years of CLUB INSIDER's 271 archived monthly editions.** So, *don't delay!* **Subscribe today for just \$89 for one year or \$10 a month** by going to www.clubinsideronline.com/subscribe.

• **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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...Dr. Gerry Faust

continued from page 3

smiled and yelled, "That's IT!" And, that **WAS IT!** CLUB INSIDER was born, and this is our 271st monthly edition!

The following 2-part cover story provides a very in-depth examination of Dr. Faust's career and his impact on the health and fitness club industry. And, Dr. Faust's sharing in this special cover story provides an awesome learning experience for anyone interested in truly understanding the depth of management training that's available in our great industry today.

-Norm Cates, CLUB INSIDER Publisher and Tribal Leader Since 1993

• • •

Part I

Almost ten years ago, when I was graduating from college, I learned something very important: My time as a student was not over. In fact, it was just beginning, and the skills I learned during my 16 years of education were merely to prepare me for the ultimate study, that of life and business. To be successful in any medium, you must never relent in your passion to learn and improve. Without such passion, then what you are doing might not be the right thing for you. Within the health and fitness club industry, the tools for that commitment to excel beyond what you already know into the realm of what you can know are numerous. This month, CLUB INSIDER is truly honored and pleased to present the story of **Dr. Gerry Faust**, who is responsible for several important tools that many of the true greats in our industry have been utilizing for years.

Dr. Gerry Faust's educational background leaves no doubt of his capacity for higher learning, having completed his Bachelor's in English and Education at St. John's University (MN) as well as a Master's and a Ph.D in Psychology at the University of Illinois. Additionally, his sports background in football and wrestling during those formative years, and the lessons learned from that experience, has continued to resonate in his style of leadership.

Later, his excellence in business, across numerous industries also leaves no doubt for his ability to convert strategic planning and thinking into actionable objectives that create success. In the mid-1980s, the health and fitness club industry was introduced to Dr. Faust with a keynote speech he gave at IHRSA. Since then, he has developed a true passion for this industry, and there is no doubt that he has contributed towards making it better than what it was.

Tying it all together and providing the rock of strength is his top priority of family. Together, with his wife, Terrie, they share six children and many more grandchildren. Additionally,

they do a masterful job of working together professionally.

What follows is a truly in-depth interview conducted with Dr. Faust. It is *our tribute* to a man whom many in this industry owe a great deal of gratitude. Across **Parts I** and **II**, you will learn his story, his methodology, the tools he has created as well as hear from some of his long-time colleagues. I invite and urge you to read on, as we begin **Part I**.

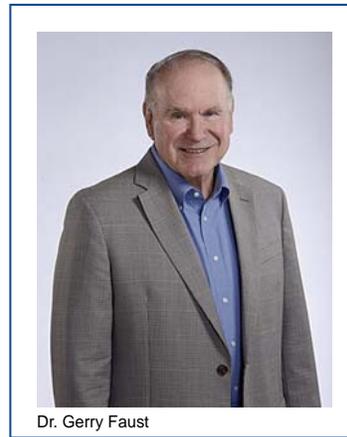
An In-Depth Interview With Dr. Gerry Faust

CLUB INSIDER (C.I.) - Please take us through some of your educational and career highlights prior to the founding of Faust Management Corporation.

Dr. Gerry Faust (GF) - Here are a few points that are important in terms of my development:

College and Post-Graduate Education/Experience

St John's University (MN) was a great leadership and academic development component in my life. There, I learned to be a better student and had some great professors who got to know me and encouraged me. I also had the chance to lead. I was in ROTC and learned a lot from the trials of that summer officer training boot camp. It was a great personal learning experience. I did very well there and was the ROTC Brigade Commander my whole senior year at St. John's. That, and my experiences in sports (football and wrestling) really built my skills in speaking, leading and having to think strategically. I was very fortunate. I won a national competitive Fellowship for graduate school thanks to the urgings of a couple of my professors who knew me and saw the opportunity. There were two of these fellowships to a brand new program that would eventually be called *Cognitive Psychology* at the University of Illinois.



Dr. Gerry Faust

The focus of the program was really the psychology of instruction. My specialty became how people learn, solve problems and make decisions and what you can do to improve those processes.

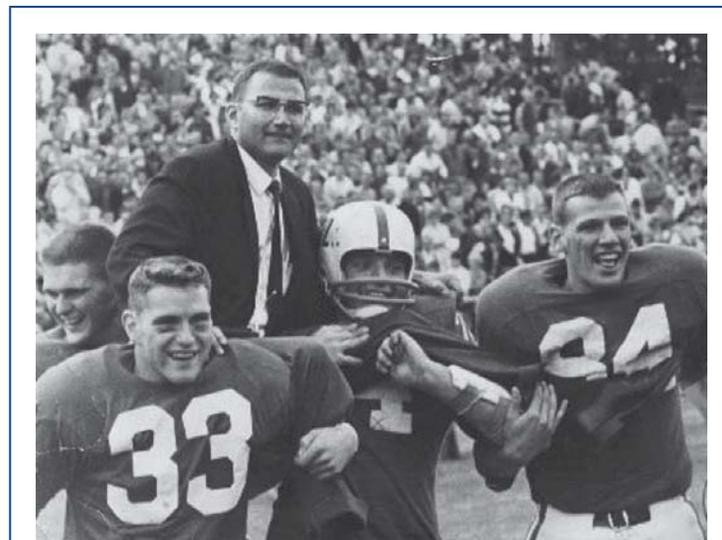
I was also involved very early on in the applications of technology in education. Illinois was one of the birthplaces of computers used to teach. As a graduate student, I worked on several of our research programs in that area. I didn't spend much time in graduate school. It took me 2 1/2 years to receive my Master's and my PhD. Unfortunately, I didn't meet the 3-year PhD residency requirement in Illinois, so they waited six months to give me my Doctorate. But, that meant they had to make me a Professor in the meantime, which really worked out (laughing). The year I graduated, I was given an Assistant Professorship and was made the Co-Director of the Training Research Laboratory there. This was the place that was doing the earliest work on using computers to teach. The plasma panel and touch screen were invented by the engineering department there and integrated into the first large-scale computer based teaching system called PLATO. So, I was really on the forefront of that, and it turned out to be very important

Courseware

The work and the team I was able to put together there led to my next really big adventure when I and a couple of my Army teammates started a company called Courseware. I called a little meeting at my house to discuss the idea in 1971. The guys met, we all got excited and a fledgling company was born. Courseware was a revolutionary company of its time. If not the first, we were one of the first companies in the high-technology training and education business. Because I still needed a 'real job,' I accepted an Associate Professorship at The University of Texas, just up the road in Austin. There, I partnered with another leader in the computer education arena, and we founded the Institute for Computing Uses in Education and received a \$9 million grant to develop a system to integrate computer and television technologies and do a large-scale demonstration of the effectiveness of computer-based instruction. We later moved the project to Brigham Young University where we founded the Institute of Instructional Science. So, being on the forefront of that technology and then building a business in that space was a great experience.

The business grew very fast, and soon, I could not afford to continue the Professor thing. So, I moved to San Diego where our biggest client (the U.S. Navy) was, and the business really took off growing over 100% per year. Courseware was an extremely successful company. We had a hand in the development of the Astronaut Training Program for the Space Shuttle; we designed most of the Naval Aviation Training in the '70s; and we were the major training supplier for both IBM and Apple during the '70s and '80s. We ended up with around 300 employees during that time and sold the business, as a very

(See **Dr. Gerry Faust** Page 12)



Gerry Faust (#33) and Teammates Carrying Legendary Coach John Gagliardi After 1963 National Championship Victory



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...Dr. Gerry Faust

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successful sale, to Anderson Consulting, now Accenture. The Courseware team became the Change Management Division of that company.

Leading a fast-growing private company is a great proving ground for business leadership. You either learn or die. We don't have time here to discuss all I learned in those days. But, importantly, I learned how to do my first turnaround in that business when we had a big hiccup in the late '70s and early '80s. I learned over and over again that great companies are built around great teams of people. Luckily, I was able to put together a great team: three key people from my Army days, two from the academic community, an old Harvard MBA sage and a CEO of a several hundred million dollar business who was on my Board.

The Adizes Institute

Courseware led me to my next venture and a very important part of my development and my transition to a whole new space. I became a co-owner and President of the Adizes Institute, so that's important to mention. At Courseware, I got very interested in business as a *grand problem-solving event*. I took on a number of important projects where we were being asked to design training and development programs for managers, one of which was with Bechtel Corporation. They sent me around the world to figure out: what does it take to train people to run billion-dollar projects? So, I went up to the SYNCRUDE Project in Canada; Riyadh in Saudi Arabia and some of their other big projects. I wrote a large report on what it takes to develop managers of billion-dollar projects. It turned out to be a big thing for Bechtel because they ordered a lot of copies of the report (laughing). About this time, I had decided to move to Chairman of the Board at Courseware and to appoint a new President. It was becoming more of a manufacturing company. We had developed a methodology, and it was working very well. So, there was less R&D to do.

At that time, a man by the name of Ichak Adizes came to me as a client. He was literally one of the foremost 'gurus' in the management space. When I met him, he had done consulting and speaking, he was a professor at UCLA and was just writing a new book *How to Solve the Mismanagement Crisis*, where he was introducing his work on the roles of management and the Life Cycles of Organizations. He was also working to develop a method of applying his thoughts to a consulting methodology. He was having trouble explaining his ideas and training others to use them. He came to me because of my education and training background on the recommendation of Will Phillips (a former **CLUB INSIDER** Contributing Author), who was working

with him at the time. As Adizes was explaining where he needed help, I got excited about his concepts. It also became clear that his methodology was fragmented. The idea that I could work with him to polish and extend the conceptual base, and especially the application, was exciting to me. I also told him he really needed to have someone help him put together and manage the business. He was a great management consultant but not necessarily a great businessperson at that time, which by the way, is not uncommon.

This turned out to be an interesting partnership as I bought about 49% of the business and became the Senior Associate and President of the Adizes Institute, which at the time, was a small consulting practice. We worked together for four years during which the business grew over 100% per year and the methodology and ideas really came together. In one of Ichak's recent books, he talks about how his methodology really developed in the period from 1979 - 83. Those were the years that we worked together, and I believe it was a great time for both of us. I do owe him a lot because our discussions helped me, and I believe both of us, and our ideas grew. They say two gurus is kind of hard for one company to handle, and I did eventually leave to start my own firm, Faust Management Corporation. Will Phillips also left, moving to McGladley-Pullen. Later Will and I got back together at Faust Management.



Faust Management Corporation Comes to Be...

C.I. - When and how did Faust Management Corporation come to be?

GF - Faust Management technically started in 1983. I decided it was time to modify some of that methodology to create my own methods and approaches. I've been in the consulting business ever since. For several years Faust Management grew and was becoming a solid consulting firm. We had done some great projects. We had done a turnaround at Bank of America, which was a big success. And, actually, my ex-partner Ichak had called me to help with that project. I did major strategy work with Domino's Pizza. They were my client for about six years. In the time that I worked with them, they grew from about a \$30 - \$40 million company, which was out of cash at the time and struggling, and six years later, they were at about \$1.6 billion. That was a ride with Tom Monaghan and Domino's. I was there several days every month for all of those six years. We did a major project with the American Airlines restructuring and helped them develop their non-airline businesses. By the way, a lot of

them were built around computers and the Sabre system. Their travel groups were all built when we helped design the strategy for the restructuring. So, I was working with a lot of big clients in those years and charging wonderful fees because of that. Will Phillips and several other consultants joined the firm, and we began to train and license consultants around the world. Most of that work was built around our Organizational Diagnostic work and work on strategy and problem solving. With Will and my then COO, Dick Lyles, we wrote my first 'management book,' *Responsible Managers Get Results*, based on some new concepts regarding what responsibility in organizations is and should be and how to develop it.

By that time, I was also doing a lot of public speaking. I did a number of Universities of the Young President's organization. I had also started working with Vistage, which used to be called TEC (The Executive Committee). It is the biggest CEO Roundtable group in the world. They have over 20,000 people in their CEO Roundtables worldwide. That relationship has been good. In 1986, I was voted their *International Speaker of the Year* and became one of their *Elite Speakers*, which means I can pretty much do as many of their talks as I want in a year. And, by the way, in 2010, I was named as the *International Speaker of the Year for Canada* by the Canadian subsidiary of the organization.

Meeting Rick Caro

In about 1984, I met another interesting guy, Rick Caro. Rick and I kept trying to figure out which year it was that we met. I think it was 1984, but we are both getting too old to remember exactly when (laughing). It was at one of the big speeches I was giving, and I remember it because it was a 'really big' speech. It was for the *World New Products Conference* in Toronto Canada. Some of the other speakers were Pierre Trudeau, Henry Kissinger, Alvin Toffler, Mike Vance of Disney and other notables. So, there were a lot of big players there. I hung out with Kissinger for a while, which was a kick (laughing). One of the other notorious people I met there was Rick Caro (laughing). Rick can tell you his own story about how he got there, but the guy who was running the conference had heard me speak somewhere else and told Rick that, if he was going to one speech at that conference, he should go hear me. He said, 'You'll see all these other big names, but the guy you really ought to listen to is Gerry Faust.'

So, Rick sat in the audience, and I must tell you that I didn't see him among the 6,000 people. But, afterward, he came up to me and said he wanted to go to dinner and talk to me about another speaking engagement. Now, I'm not sure if the reason I went out with him was his personality or the two really lovely ladies he was with at the time (laughing). I will

never forget this, he had a lovely lady on each arm when we went to dinner, and I don't know how he worked that out (laughing). So, Rick and I, the ladies and the guy who was putting on the conference went to dinner and had a great talk. That was when Rick convinced me that I just had to speak at the IHRSA conference.

C.I. - When and in what capacity did you first work within the health and fitness club industry?

GF - In 1984 or 1985, I did a speech on the *Life Cycle of Organizations* to IHRSA. Like most of my speeches, I like to customize them to the industry or business. So, I was talking about the life cycle of an organization and adapted it to the club industry. I was a closing keynote speaker that year, and it must have gone over well because they asked me to come back as an opening keynote speaker the next year. Probably one of the best things I ever did was say, 'Well, if I'm going to come back, I'd also like to talk about the life cycle of the club industry.'

At that time, I was developing my first real serious broad-based organizational assessments, which eventually became known as *Executive Insight*. So, I wanted to do that assessment on 10 - 20 of the most successful clubs, 10 - 20 in the middle of the pack and 10 - 20 among the lower performers based on IHRSA's *Profiles on Success*. IHRSA gave me the 'sample subjects,' and I did the assessment on them. Those assessments taught me a lot about clubs and the industry, so I gave two talks at IHRSA that year. One was called *The Life Cycle of Business and the Life Cycle of the Club Industry*. I pointed out that, at that time, the club industry was in the go-go phase. It was growing and evolving fast. It was making all of the mistakes of normal go-go industries and go-go companies. And, it had the normal strengths and enthusiasm of the go phase. Clubs were expanding, the groups were getting bigger, all kinds of ideas were coming into the organizations and it was getting pretty hectic. There was just a lot going on. It was like the Wild West.

Creating The Faust Roundtables

C.I. - Let's discuss the Faust Executive Roundtables for the health and fitness club industry. How did the idea of the Faust Roundtable #1 come about? Please also tell us about the subsequent Roundtables that followed.

GF - That year, based on the knowledge I got and the assessments I did, I spoke to the Vanguard Group. The presentation was called *The Ten Biggest Problems in Your Industry and How to Solve Them*. It was a well-attended seminar, but it was only for the 200 biggest people, although I'll never forget that we had people standing all around the edges of the room and outside the door. As I came out of there, once again, Rick Caro showed up because, by (See Dr. Gerry Faust Page 14)



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this time, Rick had adopted me (laughing). He said, 'I've been talking to some of the IHRSA Board Members; we want to work with you.' I will never forget it. I looked him in the eye, and I said, 'The problem is there aren't that many people in the industry who can afford me.' That was true at that time because, to be very honest, I was charging a lot of money for my time in these big companies and doing mostly big company work. My typical retainer for larger companies was somewhere between \$100,000 - \$200,000 a month. That was obviously for more than just me but rather for my team and me. But, the fact was we had a lot of big clients and big projects.

I explained, 'You all can't pay \$5,000 a day for my time.' He said, 'Well, there must be some way we can do something.' I told him I would think about it. I came back to him and I said, 'I tell you what... The one thing we could do is you could put together a group of people, and I would meet with that group, everyone sharing the costs.' So, that is when Roundtable #1 started. It was mostly then current and former Board Members. I remember there was Brother Beusman, who was walking around in robes at one of those sessions (laughing); there was Red Lerille and there were a number of others who were kind of icons in the industry, including your dad, Norm Cates. They all came to me, we had dinner, we talked about it and I put together a proposal, which I sent the proposal to Rick. He said, 'Okay.' And, I told him, 'You've got to get twelve or more people together because it is going to take twelve of your people to be able to do this thing.' I thought that would stall him a little bit, but you know Rick, he knows everybody. So, the next thing I know, he called me back and said, 'Alright, I've got twelve people.' All had to be non-competitive in terms of the regions they represented. So, we started...

I have to say that it was one of the most wonderful experiences for me to run that Roundtable. I had watched several other companies try roundtables of one kind or another. One was the Young Presidents Organization, and I had actually given them some advice on how to run what they eventually called their *Forum Groups*. I worked with Vistage and had actually done some consulting for that organization. But, everybody was doing local groups, and we wanted a national group. So, we came up with the idea that we would meet four times a year for a couple of days, which eventually got changed to three times a year for three days. So, with twelve members, we started the Faust Roundtables. In addition to starting the Roundtables in 1985, I also started my long-term association with IHRSA and the industry. This has been a 30+ year love affair, and I've truly enjoyed this relationship and the industry.

Anyway, as you know, the REX

Roundtables have really done a lot in recent years. Of course, the first three of those REX Roundtables were actually started at Faust Management. Our first Roundtable became so successful that, within a year or two, there were people wanting to get into it. But, some were competitive with the people I had in Roundtable #1. I couldn't have them in there, so we started Roundtable #2. I ran Roundtable #1, and I didn't think it was a good idea for me to be running one with those competitors. So, I turned it over to one of my colleagues, Will Phillips, who is a very knowledgeable consultant and outstanding facilitator, two great attributes for a good roundtable leader. And, by that time, we were getting Roundtable #3 going, and after I got it going, Will decided to do that one too. Then, we ended up with Roundtable #4 that included smaller operators and some strong managers working in groups in #1 and #2, so I turned that over to my son, Steve. Will decided he really liked the roundtable business and was ready to make that the bulk of his work. For six or seven years, I was getting a royalty from the Roundtables, and they were the Faust Roundtables. Will was also doing some other roundtables in the Museum and other outside industries. After a while, though, I felt he had done so much good work that I ended the royalties.

C.I. - What similarities do the Faust Roundtables share with other industry roundtables? What are the differences?

GF - I have seen a lot of industry roundtables. Some good, some not so good. The differences are primarily the caliber of the leaders and the structure of the program. For the leaders, the keys are whether they have a depth of knowledge and experience in running a business and helping others run a business and are they great group process facilitators? Many leaders have one of these attributes; few have all three. As to the structure, the keys are the multiple-day meetings so you can get deep into topics,

exposure to new ideas and the use of good problem-solving and decision-making skills. Another key is the members. We choose our members carefully to ensure they are prepared to learn and to teach, and they are ready to implement new ideas that will improve their businesses. We ensure they do not compete with any other member in the group. We want people who will be a good match with the culture of the group, especially the openness, honesty and trust among the members. I don't know any industry roundtables that are as effective as the ones in the health and fitness club industry. Of course, there are the big CEO Roundtable companies, like the Young Presidents Organization and Vistage, which I have already mentioned, and I can tell you that there are dozens if not hundreds of CEO Roundtable groups around the world. Some of them are very small, but most of those are pretty much built on the same model:

- They meet only for one day.
- It's a monthly meeting, and in most of those months, they have a speaker who talks for half of a meeting. Often, they have great speakers, and I have to say that because I am one of them (laughing).
- They work issues during the last half of the day.
- They usually meet at another roundtable member's business, so they get to know each other's businesses. And, the host gives a presentation on their business.
- And with many, there is a one-on-one session every month with what they call the 'Chairman' of the group, who is running it as a business. Those people have various backgrounds. The better ones have run their own business and have maybe retired from it. Some were or are executives in a larger business. But, in the big roundtable organizations, there is a lot of variability in

the quality of the leaders.

•And, of course, they are trained in a certain methodology.

Some of them are a lot more effective than others. Vistage is the big player in that space right now, and it is successful. It has been sold about four times, so it keeps going through some management difficulties and some changes of strategy. Those groups are generally good, and they are extremely effective. What has been learned over time is that we know that getting business leaders together to share experience and help each other solve problems and issues is a good idea. I think the big thing is that having all the people in one industry gives you so much more that the people have in common, and everything is so applicable to what they are doing. However, even in the other groups, the people have a lot in common; they are facing the same kinds of issues of a management nature, etc. But, there is even more depth of commonality when it is an industry group.

I can tell you that the longevity in our group is 3 - 4 times the average in other kinds of groups. I've got people in my group who have been there for over 30 years. Red Lerille has been in the group for 32 years. Rick Caro has been in the group for 32 years. And, we have the children of some of the original people who are now in there, such as Rick Beusman and Steve Spearman. I think that says a lot about how much people think of the value of the roundtables.

The Faust Roundtable Agenda

C.I. - Can you take us through what happens during your Roundtable meetings?
GF - My role is to facilitate things:

•I introduce new concepts when I can. I say 'new' because when you have been talking to the same people for 30 years, it's hard to make up something new. The good thing is there is some turnover, and most of the people who have been there the whole time are getting older so they don't remember what I said in the beginning (laughing). So, they say, 'Oh, that's a good idea,' and we start over (laughing).

•We have very few outside speakers, though we do a lot of things to learn what is really happening in the industry and in business. About every other meeting, we select a book to read and discuss. My job is to lead the discussion and suggest applications, and even more important, relate what we learned from the book to the entire body of knowledge we have picked up and adopted in what we are doing. That way, it integrates everything.

•One of the greatest assets of Roundtable #1 is Rick Caro; I have to say that. Rick is essentially a partner in Roundtable #1
 (See Dr. Gerry Faust Page 16)



Faust Roundtable #1 Members - Kneeling: Tom Lyneis, Red Lerille;
Second Row (L to R): Barbara Garringer, Carol Nalevanko, Hannah Karras, Paula Porter;
Back Row (L to R): Clive Caldwell, Todd Pulis, Rick Caro, Carl Porter, Ray O'Connor, Tim Rhode, Liz Rhode and Steve Tharrett

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...Dr. Gerry Faust

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these days. He has been the person who has proposed new members, and he sees it as his responsibility to make sure we are always full and have the right people in the group. By the way, he takes that VERY seriously. The other thing is that, every time we get together, Rick gives an industry update. He is the guru in the industry when it comes to mergers and acquisitions and anything financial. He lives and breathes this industry, and I think he knows and cares for everyone in it. His update is an incredible feature of Roundtable #1. I owe him a big debt of gratitude for what he has done for us.

•When we go somewhere, we try to choose cities that are not just fun places to visit. When we first started with Roundtable #1, every fourth meeting was held at a destination resort because we had a lot of mature businesses. Everyone liked a chance to get away, and it allowed us to bring along spouses and significant others. So, we ended up having a little vacation together. As time went on, we've gotten more serious about the business content, so now, we mix the social in with some international trips but with a view to going where there is some real action in the industry and where we can have dialogue with the area's industry leaders, movers

and shakers. We also get to the home cities of our members, so we can see first-hand what they are doing and often to meet some of their people. We have 16 Roundtable members, and we only meet three times a year, so we only get around to a member's host city every five or six years.

So, here's the typical agenda for us, and I can only talk about Roundtable #1:

•**Day 1:** Our meetings now start around 3PM. By the way, we change regularly based on what the group wants to do in terms of timing. So, we used to go Thursday - Saturday. But then, we decided to stop that, and now, we go Wednesday - Friday. So, as I mentioned, we usually start around 3PM. We do some follow-up about what is going on. We do an update about what has happened since the last meeting, the top 2 - 3 things, both personal and business; although, we now do a lot of that in the bus while we are doing our club tours on Day 2. We also do some follow-up on issues brought up and processed in the previous meeting, just to see what resulted from planned actions. Then, we do the industry report and maybe take on an issue. We work until about 9PM that first night.

•**Day 2:** The next morning, we do club tours. We visit 5 - 6 clubs that morning; of course, it can often take a bit more than the morning. The idea is that we try

to pick up themes that we are looking at... So, sometimes, we are looking at the positioning of the clubs and how they are marketing themselves. We recently looked at studios to get a view of what the studio market is doing and how bigger clubs are integrating studios into their facilities. Usually, the owners of those facilities are pretty happy for us to come in, and it's rare that we don't get to go into some places we would like to go because they don't want us in there. In the bus, while we are driving around, we are discussing things: What is unique that we saw there, what can we learn from it etc.? And, we talk about things like how the club was designed, what are the different ways of handling things, etc., so it's a great learning experience. The discussion when we are on the bus is outstanding.

After that, we start our meeting for the day and have an education piece. My role is to give about an hour, hour and a half presentation about some sort of management education topic. Sometimes, I go back to things we talked about. And, I will tell you that, every fourth or fifth meeting, especially if we have some new people, I actually have a seminar the day before at 8AM so the local people can bring their people to it. After the education piece, we process issues brought up by members and discuss prepared topics (i.e. retention, what we are doing with millennials, new marketing ideas, etc.).

•**Day 3:** The most important thing that we do is that we allow people ahead of time to schedule topics related to their businesses. I've got a wonderful coordinator who has been working with me for over 20 years managing the administration of these events. Her name is Barbara Garringer. She is a sweetheart and a key player in what I do. So, I either call members to probe with them what some of their issues are, or they send in issues... if they have enough, then I don't need to call. What we want is for people to put on the table things that are really troubling them, as well as the things that are really working for them. We have taught a problem-solving process; so, during issue sessions, we use the process. The topics brought to the Roundtable are very broad. If a member is having trouble with a partner; if they are having trouble with a tennis pro; if they are about to do a big update/refurbishing project of their club; if they have a new competitor moving in and are worried about it, we are ready to help.

Besides having people bring up their issues, we will often choose a topic ahead of time. So, we will take on a topic like retention or ecommerce and web presence or marketing, etc., and it becomes one large sharing activity. *We have a general rule:* If anyone has something that is working incredibly well, they can put it on as a sharing topic. They come in and give us an entire outline about what it is. The beauty of it is that, if someone really likes the idea, they know whom to call to

get more information. But, they usually have enough information at the meetings to know how it will work and if it will work. And, we require people to provide the data. We tell them not to share ideas that have not been proven yet, so when you come, you better be able to share the data. The last part of the sharing piece is the sharing of other data. We will have everyone report their Key Performance Indicators (KPIs), and we will grill the people who are doing the best with each KPI. And, we hope the people who are not doing as well are really listening. For example, we will take on numbers like non-dues revenue. We work on the area and look for the results. We have had many great successes in these deep-dive discussions. We have seen dramatic increases in the personal training arena pretty much across the board in our member clubs. Generally, some of our people become the resident experts in some of these areas. Brent Darden is an example for the personal training space.

Some Faust Roundtable Stories/Lessons

C.I. - Are there any stories/lessons from your Roundtables over the years you would like to share?

GF - I'll give you some specific ones that have been outstanding:

•Early on, in about the fifth or sixth year, one of our members had come to us every time and talked about the problems he was having with his partner and how their relationship was not doing well. There were a few owners of the club, but it was very apparent that he was responsible for everything, getting beaten up in the process and it wasn't working for him. During one of the meetings, another member, and I can't remember if it was your dad or Curt Beusman, basically said to him, 'You know, we've been listening to you complain about the ownership structure of your business and how it is being run. It's time for you to fish or cut bait. You have to decide to either change things or get out of that partnership. It's a bad thing for you, and we don't want to see a friend and colleague be so distressed by this. It's got to be affecting your health.' We went around the table, and everybody said something similar, 'You bring other issues here, but that is one you have to face.'

So, we literally gave him 90 days to make his decision about what to do and to come back and report to us. He came back to the next meeting and reported that he had decided to sell out to his partner, leave the industry and do other things. We supported him in that decision. In the next meeting, he said, 'I want you to know that I have done it, and it is the biggest and best thing to happen to me in my life. You all forced me to make a decision I probably never would have made, and you probably saved my life, my marriage, my sanity and I thank you for it.' By the way, he has gone on to a great career in what he is now doing.

(See Dr. Gerry Faust Page 18)

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Presented by Dr Gerry Faust

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...Dr. Gerry Faust

continued from page 16

It was life-changing. The thing about this Roundtable is that members develop so much closeness, mutual respect and trust in one another. There is so much candor that you cannot get away with anything in that Roundtable; there is a lot of honesty there.

•One time, Mark and Debbie Eisenzimmer came in with refurbishment plans for their club. The group looked at the entire set of plans. We started off with what everyone thought. Our process is that we go around the table, and everyone asks questions in order to get a better understanding of the issue or situation. Then, each member presents his or her thoughts, advice, etc. We spent four hours on this, and by the time we were done, we had redesigned that project. The Eisenzimmers took 95% of those ideas. They started with a lot of good stuff, and they ended up with terrific stuff, making a massive difference to the effectiveness, efficiency and success of their club. A few years after that, they were able to burn their mortgage, so that gives you an idea of how successful it was.

•We had been going for 25 years, and we were having a meeting in Hawaii. Just before this, Vistage had asked Will Phillips and me to create a program where we would go around to their underperforming

groups and do a 'roundtable tune-up' for them. By doing some of these tune-ups, I decided that I had to at least propose that we stop having this Roundtable. We had been doing it for 25 years, and I was worried it was just becoming a habit and something we all did without meaning. So, the first night there, I told the group that we should decide if we want to keep doing this. I told them that I would not mind if they felt we had done enough and that they should not stay in the Roundtable for me. I would be fine if we closed it down. And, if we didn't shut it down, I wanted to talk about what changes to make to make it better. They all knew I was going to bring the topic up the next morning.

So, I walked into the meeting, and by the way, this is probably the single most emotional thing that has happened to me in the consulting business; I can hardly tell this story without crying. Once again, Brother Beusman was at work... If you can recall the movie *Dead Poet's Society*, it starred the late Robin Williams and was an interesting story about him as a phenomenal teacher at a men's academy. At one point in the movie, Williams was about to leave the school. He came into the classroom, and to honor him and support him, all the students stood on their chairs and recited *O Captain! My Captain!* by Walt Whitman. So, I come walking into the meeting, and here are all of the Roundtable members standing on their chairs, which is exactly

what the students did in the *Dead Poet's Society*, and they recited that poem. It broke everyone up and was a very emotional thing, but they basically said that we are never going to stop this. It has been too good of a thing for all of us.

At that point, we did change the model some: We went from four times a year to three, and we expanded the amount of time we were there. Now, when we go overseas, we do so to visit the industry in that country. We were recently in Munich, Germany, and we met with the CEOs of five of the largest club groups in the country for about three or four hours. And, there have been a number of times where we have had fairly famous businesspeople join us for lunch and have an open dialogue with us, such as a Q&A. For example, we had lunch at one of Danny Meyer's restaurants in New York. Danny is the #1 restaurateur in New York, and at one time, had six of the top ten restaurants there. He's recently taken Shake Shack public; they are extremely unique, and he wrote a book called *Setting the Table*, which we had read. While we were at lunch at one of Danny Meyer's restaurants, he came out for about 30 minutes and gave us a seminar on how he develops customer service. Of course, Rick Caro had arranged that. Once, we had the Founder of the largest pet hospital group in the world, Banfield, join us for lunch. He talked for about an hour about what it takes to start and run a business with 4,000 employees, he talked about the big issues and key decisions and his philosophy, etc. He then invited us to his home on a ranch 1/6th the size of Rhode Island, where he cooked up steaks from his own special breed of cattle. I have to tell you, we ate really well that time (laughing). So, we've had a number of experiences like that.

C.I. - What happens between meetings?

GF - If a member is regularly running into an issue or they are trying to develop a policy or they are doing something that requires advice and assistance, they send the requests to Barbara. She sends them out to everyone, and our email fills up with the responses. One time, we had a member who had moved his club and made some significant changes. Things weren't working well, and his business was suffering. I had gone and worked with this guy a bit. Then, four of the Roundtable members, on their own, flew in and spent two and a half days there with him looking over everything and giving him suggestions. It made a massive difference in that business. So, when I say that the people are truly committed to helping each other, I am not kidding; it's true, and it's incredible.

C.I. - Are there any recommended requirements for the Roundtable participants (i.e. business size, management experience, etc.)?

GF - We want a person who is willing to share. It is all about the character of

the person. We don't want a person who would just come in and be a taker and not be a giver. That's a major thing. We don't really worry about the size of the business because, as you know, we have people who have just one club. Of, course, it might be one club and be the Houstonian or Red Lerille's one club (laughing). We've got some who have three or four clubs, like the Village Clubs or the Eisenzimmers or the Beusmans, for example. Then, we've got some bigger groups, but we don't have any monster groups or public companies at this time. We kind of decided a long time ago not to have the big, public companies. Generally, they can't share their data like these guys can. So, mostly, what we are looking for is someone who we feel is a good operator and someone who is prepared to share, as well as learn. And, if you look at what has happened, everyone in that Roundtable is doing extremely well.

• • •

I want to sincerely thank Dr. Gerry Faust for his valuable time interviewing for this cover story. Thank you also to Amy Rico for her assistance. And, by the way, thank you all for reading! Stayed tuned next month, as we present **Part II** of this in-depth interview with Dr. Gerry Faust, as well as present several interviews with long-time clients who have benefited from his services.

(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)



Justin Cates



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Do You Have a Culture of Sales Accountability in Your Gym?

By: Jim Thomas

Are you and your managers doing everything you can to create a culture of accountability in sales and sales management? I hear this frequently from gym owners... Yes, we hold them accountable, but the job is still not being done. Of course, it begs the question: What exactly are you holding them accountable for? What are the consequences? Are you even holding them accountable for the right thing?

Here are some things to consider when creating the culture of accountability in your gym:

1. Get your expectations up. First, you need to *stop accepting mediocrity* and *raise your expectations*. Too many gym owners and sales managers have lowered the goal and lowered the expectation... this is the first place to start: **get your expectations up**. Then, you must raise your action level to reach these new expectations. Remember this: Never, ever lower the goal. But, instead, raise your action level. *No excuses, don't justify poor performance.*

2. Results not friendship. Of course, building staff rapport is important.

However, for too many gym owners and managers, it is more important to be liked by the staff than to be respected and to reach the expectations you have set for them. **Everyone should be judged on his production and numbers, not on how well-liked he is.** If you turn a blind-eye to this, it can get out of control in a hurry.

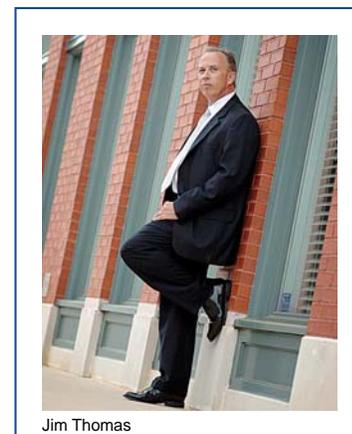
3. Take responsibility. This will never become important to others until it is first important to you. The worst thing you can do is raise the expectations, but then fail to take responsibility yourself. **YOU must take responsibility.** It's not the weather, the price, the time of year, the competition, the gym, the members, etc., it's you. Ultimately, it's the only thing you have control over.

4. Manage the process. *You need to focus on and track the behaviors and process that will get you the desired results.* If you stay focused on the desired behaviors each and every day, you will be on track to get the results you are seeking. Such things as a telephone inquiry log and script, outbound call script, guest register, needs analysis, price presentation, point of sale referrals, follow-up calls, etc. are just a few examples.

5. Create awareness. It's always interesting how many owners have not done the math on exactly what they need and what the sales staff should be doing. All the way from sales, leads produced each day, daily appointments, outbound calls, etc., does everyone know the expectations? **Have your manager's call in their numbers each day and immediately feed this back to them as it compares to quota. Manage based on these objectives.**

6. Grow your pipeline. Ultimately, you'll be judged on the numbers you produce each month. It's crucial that you continually fill your pipeline for future sales. Be sure you inspect what you expect on the daily activities required to successfully build your sales pipeline.

7. Staff Recruiting. One more thing and I see this *quite a bit*. **Club owners and managers feel reluctant to hold key staff accountable because they don't have a suitable replacement if the staffer left the company.** In a sense, they end up being held hostage by their staff. **The key is to implement a process for recruiting, training and hiring staff. If you always have capable recruits in the wings, it will give you the confidence to run your**



Jim Thomas

business in the proper manner.

Now, be accountable!

(Jim Thomas is the Founder and President of Fitness Management USA Inc., a management consulting and turnaround firm specializing in the fitness and health club industry. Visit his websites at www.fmconsulting.net or www.jimthomasondemand.com.)

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Details Matter

By: Bill McBride

A Life Well Lived is about each Moment in Life. Just like life moments, success is a matter of each detail. Vision and Strategy are critical to success, but it's the execution of operational and logistic details that win the day. In our business of member experience, safety, results and delivering service excellence, mastering the details is the difference between well-intentioned and actual stellar outcomes. I'd like to share some of the details that may seem individually small in nature but have a great combined impact on being excellent. The great news is this approach doesn't cost anything (or very little) to implement. It does, however, require your commitment to being great at delivering the best experience for your members.

"If you take care of the small things, the big things take care of themselves. You can gain control of your life by paying closer attention to the little things."

-Emily Dickinson (1830-1886)

"If you can't do the little things right, you will never do the big things right."

-William H. McRaven, Admiral, USN

"You will not find it difficult to prove that battles, campaigns and even wars have been won or lost primarily because of logistics."

-General Dwight D. Eisenhower

I'd like to share some of my thoughts on "Little Big Things" that I believe matter. As I tour clubs, gyms, corporate fitness centers, medical wellness centers, studios, community centers and just about every other type of model one can imagine, one thing that stands out is the attention paid to the details and what some may consider small things, if not trivial items. These observations are from my own sites and just about every other site imaginable, as I have toured many hundreds of clubs in my travels. And for the record, I have been ridiculed for some of my non-negotiable idiosyncratic items, such as pushpins on bulletin boards, but I'm convinced that collectively managing these things has a big impact on a club's success and brand position.

In an extreme example: If you are on an airline flight and you encounter a broken seat tray, no paper towels in the restroom, a dirty cabin and a disheveled crew, one may wonder, "Are the mechanics lacking in attention to detail as well?" This may sound extreme, but confidence is built on the details. Excellence is evaluated on a litany of factors including one's experience and one's observations. Many of the

"feelings" one has are based on a "gut" or subconscious impression that someone may not even be able to articulate or answer on a survey. Trust is built on character and competency. *Both matter.* And, the details show your character and your competency. A team that takes the details seriously and is uncompromising typically has more pride, cohesion, enthusiasm and much better results. At the end of the day, for you and I, our goal should be to have a solid strategy and approach around the details and a balanced team with enough of these traits in the right mix: Producers (Results), Administrators (Details), Entrepreneurs (Creative Thinking) and Integrators (People).

There are many common examples (actually themes) in fitness sites, domestically and internationally, that I have witnessed first-hand time and time again across all sectors, geographies and countries over many years. I will share a summary "cheat sheet" list of some of the big small things I see time and time again. The majority tends to fall into these categories:

1. Staging:

A. Is the facility in Ready Position - Ready for use and presenting at its best?

B. Are the exercise "toys," mats, balls, bands, slam-bags and weights all put back and ready for the next session? Is everything ready to go again (Group Fitness Studio Spaces, The Fitness Floor and Functional Training Areas)?

C. Are the stereo areas in studios neatly organized and free of debris and handwritten signage?

D. Do all bikes in dedicated Cycle Studios and all Reformers in dedicated Pilates studios have towels neatly placed on each piece of equipment?

E. Are towels tri-folded with band facing out, neatly stacked looking how a resort would display in look and feel (and free of tears and stains)?

F. Are all Food and Beverage items front-facing and appealing for consumer purchase?

G. Is all upholstery clean and free from tears?

H. Are all electrical cords hidden, tied and managed as neatly as possible?

2. Staff Appearance:

A. Is the staff in uniform with nametag on,

looking sharp and ready to be of service?

B. Are they standing at the front desk ready to be of service? (Not sitting, an unacceptable practice I'm seeing more and more of at non-typical commercial fitness facilities)

C. Are they exemplifying "eyes and teeth," looking at members and prospects within five feet of member range with approachability, eye contact and smiling?

D. Are staff and office areas treated the same in professionalism as member accessible or public areas? (This builds culture and pride)

3. Signage:

A. Are the internal signs clean, clear, professionally displayed with topic/purpose of the sign as the header?

B. Have you eliminated the use of "Attention Members and Guests" (It's obvious those are the ones reading the signs) and "Thank You, Management" (It's obvious management is probably the ones putting up signage? Also eliminating the "Thank You!" after a notice, or worse, a policing command as that is somewhat obnoxious.

C. Are signs that are meant to be permanent displayed as permanent or temporary? (If it's permanent, make it so.)

D. Are flyers and signage clean and not "copies of copies?" (Always copy from originals)

E. If you use pushpins or thumbtacks, are they all the same type and color? Do you have flyers positioned with no tape (tape from behind when needed), staples or tape residue showing? Do you have a background material (felt or solid one sheet of paper) covering the corkboard? (If keeping corkboard visible, make sure it is in good condition and presents cleanly.)

4. Maintenance/Upkeep/Safety:

A. Are all the "controllable" items that can be controlled by the site team up to par? (This requires a culture of excellence and team commitment as this will require everyone to do whatever is necessary to ensure a great member experience and facility presentation). "Not my job" will kill this outcome.

B. Are all cleaning supplies (mops, buckets, safety floor signage, cleaners, rags, etc.) stored out of sight when not in use? (If not, this is a sign of laziness; I will



Bill McBride

use it again in a couple of hours, so let me leave it out for my convenience. Don't be tempted to do this; always think about member perception at any given moment). For those of you that like 4- or 5-star hotels, you will never see cleaning supplies stored in public view.

C. Are Food and Beverage (non-displayed) inventory, packages and other random items stored out of public view?

D. Are doorstops used as doorstops instead of weights, dumbbells, rocks or anything else convenient? (Buy some Rubbermaid wedge doorstops in various sizes and quit using other items that may even become trip hazards.)

E. Is the club not only clean but "detailed clean?" (Think about washing your car versus detailing your car.)

F. Are all "out of order" signage clean, evenly mounted and containing a return to service date?

G. Are the inside of the lockers, courtesy phones and the scales clean? (Often overlooked on a daily basis and members see daily.)

H. Are towel drops designed to be towel drops (silver wire hampers are a good choice), instead of trashcans with a laminated sign that says, "Dirty Towels?"

I. Are laundry carts (clean or dirty towels) out of public view?

J. If you have carpet "strings" in areas of worn carpet, do you trim them regularly to minimize an unkempt appearance? (Assuming carpet replacement isn't immediately an option.)

K. Are wet area and locker room mats perfect and matching?

(See Bill McBride Page 21)



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...Bill McBride
continued from page 20

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This is but a partial list of small and big things that have a great combined impact. I have focused on basic staff presentation and detailed facility presentation in this article. I realize there are a lot more things that go into the member experience, but I promise you, mastering these fundamentals sets a foundation. **You only get one chance to make a first impression.** And, when something goes wrong with a member relationship, as it sometimes does, the member will look at all other things to rationalize your lack of character and/or your lack of competency.

Let's be our best always!

(Bill McBride is the Co-Founder, President & Chief Executive Officer of Active Wellness, Active Sports Clubs and BMC3. Bill is a health club industry veteran with over 25 years of experience leading and managing all aspects of commercial health clubs, medical fitness centers, residential, community, multi-tenant and corporate fitness sites. He co-founded Active Sports Clubs and Active Wellness, LLC and owns a health club consultancy, BMC3. Bill has served as Chairman of the IHRSA Board of Directors, President of MACMA and served on the Industry Advisory Board for ACE. He is actively engaged as an author on industry education, serves on several fitness related technology company Advisory Boards, serves on the MWA and MFN Advisory Boards and speaks regularly on industry topics throughout the world. Bill can be reached by phone at (415) 299 - 9482 or email at Bill.McBride@ActiveWellness.com. Connect with him at www.linkedin.com/in/billmcbride and follow him at www.twitter.com/billmcbride65. Also, check out www.bmc3.com)

Make It Fun!

Achieving a Gold Medal in Customer Service

By: Melissa Knowles

With the Olympic Games fast approaching, our attention will soon turn toward watching the world's best athletes compete. Those who are the best-of-the-best will walk away with gold medals. It's truly impressive to watch a performance at such an elite level. So much time and preparation has gone into just a few moments of competition. We respect the effort and marvel at the results.

But, shouldn't we be striving

for the same level of performance in our businesses? Don't our members deserve such a diligent effort and commitment to excellence? As you consider your commitment to providing an exceptional member experience, here are five factors to consider.

Five Factors to Consider in Order to Provide Exception Member Experiences:

1. Have a plan. Think through how you deal with the business' most common

issues. While we don't ever want to be in the habit of merely quoting policy to a member, we do need the framework of policy to serve as a guide for decision-making. It creates an environment of consistency, and consistency is easier to scale and replicate, thus enabling our business to grow. We should also carefully consider each policy to ensure it makes sense for our *specific* business model and isn't simply the fitness industry norm.

2. Clearly worded membership and



Melissa Knowles, VP of Gym HQ, a ClubReady Company

service agreements. While we know that most states mandate specific language and guidelines for fitness contracts, we're not required to word our entire agreement in foggy legalese. Why not simplify the terms; strip down the superfluous text and make it easier for our members to understand? If we're asking a member to jump through a series of hoops to manage their relationship with us, we should at least clearly lay out those hoops.

3. Have a system. A sure fire way to botch the handling of a member's account is poor communication. What was discussed? When? With whom? Our system should be easy to use (or it won't be used) and should ideally allow for follow-up and interaction directly within the system. When it comes to account changes, clearly notating a member's profile is a key first step to ensuring that what was "*promised*" is delivered. Member history should be accessible to all necessary staff members.

ClubReady has a very simple, yet detailed member tracking and interfacing platform embedded directly within their club management software. The easy-to-use interface, **WorkIt**, allows for the addition of client notes, the ability to send out a text or email (which automatically saves as a copy to the member's notes), notates a phone conversation, adds a member alert to ensure all team members are aware of important details and sets follow-up tasks assigned to specific team members. It also allows for easy contact reporting so management can monitor and direct all interactions. Speaking of reporting...

4. What's measured is improved. One of the biggest mistakes owners are making is simply not knowing the volume or causes of member issues in their clubs. How do we get better if we have no knowledge of what's wrong? A good analysis starts with identifying what should be measured. What's important for our business? What's our retention goal? How many cancellations are we seeing each month? What is causing them? Are members able

(See *Melissa Knowles* Page 24)

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From One Club to Another: *Three Ways to Keep Talent*

By: Angie Pattengale

There's a private personal training studio on the first floor of our office (at NFPT HQ). I don't work inside a large club setting, but I've been in the industry for 20+ years. I know trainers, I know clubs and I know that you can take what works for the smaller setting and scale it to benefit the larger. Now, because I'm realistic, I also know that you can't always take the perks of the small-town feel and make it big-city homey. However, when the goal is keeping talented employees (or contractors), it is possible. I speak specifically of avoiding turnover in your personal trainer department (but, bonus, these principles can apply to just about any department).

Three Ways to Keep Talent

1. A Framework for Standards - Be clear with your expectations. What do you expect from your trainers/staff in terms of education and experience? Before onboarding a new trainer, do you have them run through client scenarios,

perform assessments and design a training program? Do they shadow or 'intern' first? The degree by which these things are done could look different from one club to the next, but the basic need for establishing a framework for these hiring standards and protocols is essential. If, for instance, it is a requirement for the prospective trainer to be certified (which should no doubt be a requirement), then it is the club owner/manager's responsibility to verify that he/she is, in fact, certified.

On one hand, a certification requirement is crucial to assuring a level of competency; but, on the other hand, the certificate itself is not complete affirmation of sustainable talent. For this reason, it would be questionable for a club not to recognize many different certifications as part of these qualifying standards because, ultimately, it is the individual that represents the talent. In addition, if for example, certification is part of your standard for pre-qualifying potential employees, then make sure to do the work needed to assure that this competency standard is truly being met by the trainer. Regular performance evaluations should

include verification of certifications, along with other checks and balances to assure quality from your trainers and all staff members.

2. Provide In-House Education - Growth and development in any field, business or relationship is crucial to sustainability. No matter what you do, or whom you do it for, there are always opportunities to learn more and give more. And, the more that you are willing to give, as an employer, the more that your staff is willing to dedicate themselves to the company mission and to you, personally. The 'give' does not necessarily mean money (sometimes, maybe, but not always). You can support their needs in a way that also supports the team, through additional education, training and learning activities. When you assist the learning, and empower the learner, then the outcome will be a more fulfilling and more productive environment for all.

For example, consider the certified personal trainers in your club. They all need continuing education credits to renew their certifications... help them with that. Or, at least make sure they're



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doing what is required to maintain their certifications. This doesn't make you a babysitter; it makes you a team player, a partner and a company that cares about your staff. Offer classes, events or educational/training sessions that suit the needs of the respective group. I'm using certified

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to easily contact us and get a resolution to their issues in an acceptable timeframe? What is an acceptable resolution time? Targets should be established, an information collection protocol developed and reporting templates produced. From there, let's institute a consistent schedule to review, analyze and improve.

For example: Joe's monthly cancellation target is less than 25% of the new member packages sold. So, if he sells 100 new memberships, he hopes to only see a fall off of 25 or less from his total member count. Last month he noticed that his percentage of cancellations had climbed

to nearly 50%. He pulled the cancellation roster from his club management software to review. He was happy to see that his staff had properly tagged each cancellation with a cancellation type. However, he was concerned to learn that a significant number of cancellations stemmed from members moving to a defaulted status because they hadn't made a payment in 90 days. From there, he accessed his past due members report and reviewed outbound contacts made by his staff. It was uncovered that they weren't hitting their outreach target for billing issue resolution. He scheduled a meeting with his GM to address this. During the meeting, it was determined that the lack of contact stemmed from an oversight during a staffing change. Outbound contact had once been the job of the afternoon

front desk representative. When she left and was replaced, the task had never been reassigned. Joe and his GM established a new protocol of weekly contact auditing, assigned the task to the new front desk representative and reassessed the results until the process was back on track.

In our example, Joe started his review thinking only about cancellations and soon realized that it was unresolved payment issues causing his current cancellation spike. Proper reporting is like a treasure map. It guides us to the important areas for exploration and can uncover a wealth of information. Sometimes, that information isn't positive, but knowledge is always a good thing. And, if we keep looking, we're bound to find the path to gold!

5. Look in the mirror first. Finally, we should always hold our facilities, team and services up to the light first, before addressing a member's concern. Have we delivered what was promised? Are we being fair? Sometimes, members' reasons for leaving are very valid. It's easy to employ a strict letter of the contract approach to how we deal with these concerns. But, I'd argue it's far less likely to have positive effect in the long run. Let's listen to complaints focused on resolution and improvement. The value that exists in a lost member is learning how to prevent it from becoming lost members.

(Melissa Knowles is Vice President of Gym HQ - A ClubReady Company, and she can be reached at mknowles@clubready.com)

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trainers as an example. But, other staffers can fit here as well: front desk, member services, managers, administrators, etc.

The professional development and continuous improvement of your club's staff is a benefit to the entire team. For your certified personal trainers, specifically, these extra learning activities could get them the CECs they need to renew their certifications. Meaning, they're learning and growing on-site. You are not only assuring quality by making sure that your trainers maintain their certifications, but you are literally investing in better-qualified trainers for your club members.

3. Don't Sell Your Staff Short - Pay your

people what they're worth. Pay them well (or at least work towards paying them well), and they'll want to stay. One of the biggest costs of doing business in clubs is the cost of turnover. It's just too expensive to continuously be training new employees. You may not see the upfront cost in training a new employee, not like you do with the immediate cost of increasing a current employee's pay. But, in the long run, the backend cost of consistently playing catch up with new employees is more expensive over time. Soon enough, the cost of vetting, hiring and training will surpass the cost of incremental raises in pay (or increased percentages, or less rent obligation, or whatever additional perk or benefit that you add to the payment/compensation model that is currently working for your facility).

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These were just three ways to keep talented trainers and staff. Undoubtedly, there are more. Running any successful business means running around, through and over many hurdles. One of those hurdles, keeping good people, doesn't have to be a hurdle set so high. If your people are part of a team, and they know that they matter because your actions prove it, then there is less reason for them to want to leave. Setting expectations and maintaining accountability happens at every level of business; this is a must from the lowest to the highest paid employee. Your framework for standards is important. But, be sure to pair it with growth and investment in the person. The more time that you/your company spends on the

person, the more time they will spend on you and your company.

(Angie Pattengale has a BS in Business Management with a minor in Human Resources from Purdue University's Krannert School of Management. She has worked with the National Federation of Professional Trainers, NFPT, since 1992 with major organizational accomplishments that include the coordination of NCCA accreditation activities and the American Council on Education college credit award program. Mrs. Pattengale is the NFPT Certification Director and acting supervisor of certification business functions.)



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Programming For The “Fun Of It!”

Step 6 of 7 to Becoming a Programming Professional

By: Laurie Cingle, M.Ed.

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 #6: Ensure Participant Success in the Program.**

To set up an enrollee's best chance for success in a program, set up a “*Game Plan*” interview with each participant at the program's outset to validate his enrollment

decision, set realistic expectations and create a checklist of items for him to commit to or accomplish.

The Game Plan Interview

Part 1: Validate his decision to enroll in program. “Congratulations on making the decision... I'm proud of you for taking charge of your life... From now on, things are going to be different...”

Part 2: Set expectations. Most come into a program with unrealistic expectations. “If you succeed in this program, it's going to be you that creates that success... if you fail in this program, it's going to be you that creates that failure... you're going to be the difference between success and failure. I'm here to guide you every step of the way, but I can't do it for you. There will be ups and

downs; there will be good times and bad times. I'll know it's a bad time when you stop showing up, stop being on the calls, etc. When that happens, how do you want me to handle that? Leave you alone? Or, be persistent and remind you why you made this decision?”

Part 3: Go through a “*Getting Started*” checklist. The exact plan is different for every program, but the concept is to do everything possible to get quick results at the program outset.

Part 4: Measure where he is currently. What gets measured depends on the program. It is important to know where he is starting and set a schedule to re-assess regularly to track progress. Receiving early positive feedback will motivate him to continue.

Part 5: End by giving specific assignments. A new enrollee craves direction with deadlines. The purpose is to get him over the line so he will want to keep going. (Laurie Cingle, M.Ed., is Regional Program Manager at Cleveland Clinic



Laurie Cingle

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. Laurie can be reached at laurie@lauriecingle.com.)

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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 eight years of publication. Thanks and Appreciation to all of the folks at Walton Press in Monroe, Georgia. They've done an absolutely excellent job for us all these years and have printed every one of our 271 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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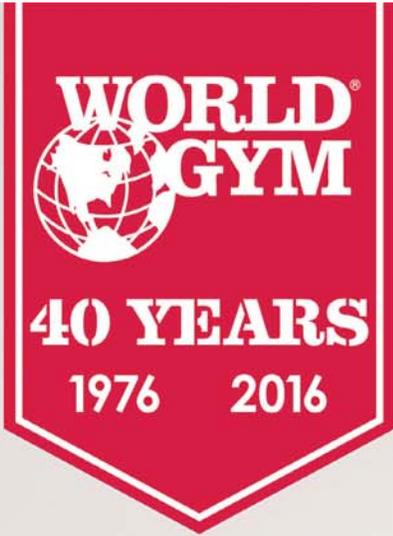


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