

Norm Cates'

THE Club Insider

NEWS

SEPTEMBER 1995

The Pulse of the Health, Racquet & Sports Club Business

The Works Athletic Club Sold To Hospital

By Norm Cates, Jr.

For the past year, The CLUB INSIDER News has featured articles and our monthly column entitled: "MICROFIT'S Health Care Connection which have described the reasons for and methods by which club operators can become involved in health care.

We have emphasized that this movement is part of a much larger movement in which the entire healthcare community nationwide is moving toward "upstream" prevention of illness and managed care for people. We have explained that by tying in with healthcare providers and yes, hospitals, good things can happen for club owners.

The Works Athletic Club is located in Somersworth, New Hampshire and is a multi-purpose club with 37,000 square feet offering activities including racquetball courts, large cardiovascular and weight resistance areas, aerobic studios, child care center, indoor and outdoor pools, tennis court, volleyball court and softball field, all situated on 70 acres. After hearing Celeste DiMambro, the principal owner and director of The Works

describe her facility, I said to her, "I bet you have visited Dale Dibble's and Ed and Zoe Veasey's Cedardale Club." She responded, "Oh, yes I sure have.... in fact Dale Dibble has inspired me tremendously over the years, as he has others." On September 1, 1995, Celeste sold the club to the Wentworth-Douglass Hospital through its subsidiary Wentworth-Douglass Community Health Corporation. The Works Athletic Club celebrates its 16th Anniversary on September 15th.

The hospital acquisition of The Works is perceived by the President of the Hospital, Mr. Ralph Gabarro, as an exciting opportunity to focus on the benefits of fitness for a healthier community. The acquisition was prompted by growth in hospital-run fitness and wellness centers nationwide, with Wentworth-Douglass Hospital becoming the first in New Hampshire to join over 200 hospitals nationwide who directly or indirectly own or operate health clubs.

Why buy The Works? According to Hospital President Gabarro, The Works project directly supports the hospital's vision. "Our involvement in The Works Athletic Club follows the vision we established a few years ago for Wentworth-Douglass Hospital to be

the community's Partner in better health, shaping the future through excellence."

The hospital's strategic efforts at collaboration and cooperation with a variety of health providers in our community are aimed at augmenting the scope and availability of wellness services with greater emphasis on illness prevention. Additionally, payment for health benefits on a managed care or capitated basis is shifting from illness to wellness care. Medicare coverage is even offered through pre-paid risk contracts in some areas of the country. Hospitals which recognize these shifts will be better prepared to appropriately channel resources to serve their varied populations.

The Board of Directors of the Wentworth-Douglass Hospital voted unanimously in favor of the acquisition of The WORKS, so it is clear that the hospital leadership and its President all share the same vision for the club.

As has been suggested on numerous occasions by Neil Sol in MICROFIT'S Health Care Connection column and by other writers for The CLUB INSIDER News, relationships with hospi-

tals can begin with the development of programming opportunities in cooperation with local hospitals. Such was the case with The Works. Discussions with The Works began on the programmatic side. "We met with The Works team to develop programs for the elderly, people with arthritis, diabetes, heart disease and other medical problems," Gabarro explained. "As talks progressed, we analyzed the entire program at The Works and were impressed with its high quality management, skilled staff and excellent facilities. An exciting opportunity to purchase The Works developed and we're now on our way to making it a reality."

In an announcement to the employees and members of The Works, owner and director, Celeste DiMambro, expressed her enthusiasm for the venture and gave reassurances that the 16-year-old health club will remain essentially the same with some exciting new program additions. "The Works, including its name, will remain the same "First in Fitness" health club it has been since we began in 1979. I will continue to oversee operations, George Vierra will remain in his role as

General Manager and we do not anticipate any staff changes in the near future," she said. She added, "membership dues will remain the same." The Works Athletic Club had been identified as one of the leading clubs in IHRSA, the Boston-based, International Health, Racquet and Sportsclub Association.

Planning for the future will take place this fall and winter with potential new programs beginning as early as Spring 1996. Disease specific exercise and nutritional programs are being considered as part of WDH's efforts to develop a continuum of services for patients and improve the health status of the community.

The CLUB INSIDER extends CONGRATULATIONS to both Celeste DiMambro and the Wentworth-Douglass Hospital for the successful completion of this transaction. It took 14 months for the deal to be completed and the end result should be good for all parties. The future of the health, racquet and sportsclub industry is continuing to be increasingly full of new opportunities for club operators nationwide.

Western Reserve Club Closes

By Norm Cates, Jr.

One of IHRSA's (The

International Health, Racquet and Sportsclub Association) shining clubs, the Western Reserve Family Sports Club, located in Tempe, Arizona, was recently closed by owner Dave Brown.

The club had been managed by Ernie Zaik, one of the most progressive club operators in the business, who had also served for 12 years as the President of the club. Zaik recalls, "It was just like the Cheers story..... I was there the day we opened for business and I was there on the night we shut it down, August 31, 1995 at 10:00 p.m."

Club owner Dave Brown, decided to convert the club facility to an office building after the club had experienced a significant shift in the demographics in the surrounding area, had been bombarded with

new Q Clubs and several new low-priced clubs and had lost the wunderkind Zaik to another venture. Zaik had tendered his resignation to Brown on July 14th in order to become a partner in the Mesa, Arizona-based firm of HealthCare Dimensions, a company which specializes in the facilitation of healthcare networks.

Remarkably, Dave Brown, the owner, made the decision to shut the club down pursuant to the recommendation of Zaik. Zaik had been the heart and soul of the club, but during his tenure had developed other interests which he wanted to pursue.

Upon making the decision to leave the club, Zaik made the recommendation to Brown because Brown operates a \$90-million home building company and Ernie knew that it would not be in the best interest of Brown to continue the operation and have to deal with new managers, etc. The closing of the club should become a model for others who face such decisions. Pursuant to cooperation between Zaik, the owner Brown and the entire staff (nobody left before the closing) the action was handled in a highly professional way which speaks well of all of the parties involved. (See Western Reserve page 10)

• Inside The Insider •

- Dorian Yates Wins Mr. Olympia
- Attacking Hidden Expenses - Part II
- Developing Partnerships With Doctors
- Tapping The Potential Of The 50+ Market
- LivingWell, Inc. Lawsuit Update
- Effective Training

THE INSIDER SPEAKS

• EDITORIALS • "INSIDER MAIL" • COMMENTS •

CLUB BASHING ADVERTISERS MUST STOP

By Norm Cates, Jr.

This month I was on the verge of publishing an EXPOSE article on a company which has made a huge impact on the home fitness equipment market through the use of infomercials which basically tell the viewer to "buy our stuff instead of going to the gym."

I had written the article exposing not only the advertising practices of this huge company, but the INSIDE STORY on the mind-set of the top management of the company. However, in preparing the article, I provided the top management of the company with copies of it so they could review it for truth and accuracy prior to publication. They declined to assist me in editing and at the same time, they threatened me

with a lawsuit should I publish any inaccurate or untrue information.

Instead of risking a lawsuit from this big company, I have decided to follow the advice of a good friend who suggested that instead of focusing just on the things this company has done to make sales at the expense of health clubs, I should focus on ALL of the companies in the industry that are doing that. He sug-

gested one company that I had not even thought of.

The problem in the eyes of many club operators is that on one hand, companies are wooing club operators to buy their products while on the residential sales end of the market, they are telling the general public that their product is a BETTER ALTERNATIVE to membership in a health club. So, if someone spends \$499 plus \$50 for shipping and handling so they "don't have to get dressed for the spa", do YOU think they are also going to buy a health club membership that year? Many think not.

In my opinion, literally tens of thousands of health club membership sales are lost to these companies who bash health clubs in their advertisements. So, why should these same companies be welcomed and supported by health club owners and operators. Maybe they should not.

It seems that this two way standard is wrong and those companies that choose to do this should

be exposed and they should be encouraged to stop with their "club bashing" kind of advertising.

I am going to continue my research on this large company because they are the worst in the business or the best depending upon how you view it, at taking away health club membership sales. But, there are others out there and I would like to hear from you about them. Help out by giving me your feedback about this issue. Clip print ads that "bash clubs." Save infomercials that "bash clubs."

I might add that NONE of The CLUB INSIDER News' advertisers use this kind of advertising. And, I pledge to club owners and operators that The CLUB INSIDER will not print ads for "club bashing" suppliers.

I'll look forward to hearing from any of you who have an opinion on this "club bashing advertising" issue. Call me at (800) 700-2120 or write a letter about your views on the subject. Send it to: CLUB INSIDER News, P.O. Box 671443, Marietta, Ga. 30067-0025.

August 30, 1995

Mr. Norm Cates, Jr.
 Club Insider
 P.O. Box 671443
 Marietta, GA.

Dear Norm,

Having just read your editorial on page 21 of the recent CI regarding the Benetton ads, let me thank you for raising your voice and attempting to maintain a "standard".

Our YMCA is one of those who takes our Christian mission seriously and our Board and staff share your thoughts. We believe, in our YMCA, that our efforts to assist people in "recreating" their bodies must also be consistent with what edifies their spirit and benefits their mind. Unfortunately, increasing numbers of companies are "selling" out to our more base "physical" impulses rather than appealing to our better and more noble attributes.

Again, thank you for speaking forthrightly and with clarity about these ads. Perhaps your words will cause us all to pause - then having paused to choose the better and more noble, rather than the lesser and more base.

To Our Healthier Spirits, Minds and Bodies,

Brian J. Crall

Brian J. Crall
 CEO

P.S. - The recent issue contained four very interesting, timely and helpful articles for me. Stay the course, you're right on target!



Owensboro Family YMCA
 900 Kentucky Parkway
 Owensboro, KY 42301
 (502) 925-9622
 (502) 684-1410 FAX



A United Way Agency

Norm Cates'

THE Club Insider
NEWS

Subscription Form

Name (s): _____
 Attach List For Additional Subscriptions

Club Name: _____

Address: _____

City, State, Zip: _____

Telephone: _____

- ☐ \$49 Per Year
 Provides 12 CLUB INSIDER Issues
 Delivered Monthly Via 1st Class Mail
- ☐ Check Enclosed
- ☐ Bill Me At Above Address

Authorization Signature: _____

P. O. Box 671443, Marietta, GA 30067-0025 or Fax: 404-933-9698
 OR Call Toll Free Hotline 1-800-700-2120

•NORM'S NOTES•

I spoke with **MIKE LUCCI**, the CEO of Bally Total Fitness to get the scoop on the "SPIN-OFF" of the Bally Health Clubs from the parent company. Lucci informs me that the Spin-Off plan will be filed with the SEC by not later than September 15th and he will give me the full story after that date. He also indicated that Bally is now licensed (I assume in all states) to sell its new franchise program. The franchise program has taken nearly two years to develop and is headed by **TOM VITACCO**. Lucci updated the progress with their new sales training program and indicated that it was going well and that they intended to continue to pursue change in the culture of their organization. During the conversation, I commented to him that changing the mindset and procedures of the organization would probably be like a huge 1200-foot oil tanker changing course..... i.e. you turn the wheel for the direction you want and you have to wait a while for the turn to develop. My point is that I expect that even with a great deal of emphasis placed on re-training of their sales organization, it will take some time for the industry to see the results. There are a lot of people in the industry that view the Bally franchise idea as a bad one. But the re-training of the sales organization will hopefully help the entire industry by keeping Bally out of the court house and hopefully out of the newspapers.

ALAN SCHWARTZ, the Chairman of TCA (Tennis Corporation of America) recently broke

his leg while playing in the finals of a 60-and-over tennis doubles tournament. Best of luck for a full recovery Alan!

Word from those who attended **WALLY BOYKO's** convention in Las Vegas, a.k.a "WALLYWORLD" say that the show bombed big time. One attendee who has attended 11 of the last 14 of these shows produced by Boyko said that it was the worst he ever attended. I wouldn't be surprised to see the equipment manufacturers get together to form their own association so that the vendors would have control over such decisions as where the trade show would be held and when. The annual savings for the vendors would be enormous and I would expect that some of those savings could be passed on to the club owners who buy their equipment and services. Right now, pricing must reflect the significant annual costs that vendors must absorb to be present at these all too frequent and low-yield shows.

LOU QUINT, formerly based in Northern California with the Park Athletic Clubs, has taken a position as the General Manager of the RiverPlace Athletic Club in Portland, Oregon. The club is gorgeous and sits adjacent to the Downtown Marina in Portland. Lou was one of those many IHRSA Members who stepped forward to oppose and defeat the then IRSA Board's decision to change the Association's name to Exercere. Good luck to your new club Lou!

24 HOUR NAUTILUS, the Northern California Division of the newly expanded **FITNESS HOLDINGS, INC.**, has announced that they have opened their pre-sales facility in Oakland, California, the 36th location for 24 Hour Nautilus. Fitness Holding, Inc. is a Menlo Park, California-based investment banking firm which now owns controlling interest in 24 Hour Nautilus and recently merged with the legendary **RAY WILSON'S** Southern California based **FAMILY FITNESS CENTERS**. Look for major developments from this new fitness powerhouse.

BERT MONSON, the operating manager of Affiliated Acceptance Corporation, tells me he has just hired **DANE HOLLAND** for a position in business development. Dane comes to Affiliated with an extensive club and financial management background. Affiliated Acceptance Corporation provides an extensive menu of financial services for club operators and in six years of business has built its client base to approximately 1,000 clubs. Dane will join two other fitness financial management pros, **GARY PIPER** and **JERRY LEE** in providing what is undoubtedly the most important and most mismanaged aspect of the entire club industry..... i.e. billing, collection, accounting and membership account management. It is my guess that millions of dollars are lost forever in clubs across America due to inefficient or insufficient financial management. But thanks to companies like Affiliated Accep-



Norm Cates, Jr.

tance Corporation and **JIM BOTTINS' ABC Financial Corporation** in Little Rock, club owners have readily available help.

SAM and **MARY INGRAM**, two wonderful people who live in Sun City, Arizona, have been very active in church, cultural, educational and social activities in their community for a long time. To help celebrate the expansion of the Sun City's Art Museum's from 7,000 square feet to 18,000 square feet, Sam has agreed to provide the opening exhibit which he calls: "**AMERICA'S CALL to FREEDOM....From An Artist's Viewpoint.**" If you

live in the Northwest Valley area of Arizona, you should experience Sam's exhibit of 208 paintings and drawings, 85 story panels and 150 unusual antique artifacts. This exhibit is the culmination of 9 1/2 years of work for Sam. A full-color hardback book is being published in conjunction with the exhibit which will be sold by the Museum Store with all profits from the book being contributed to the Museum by Sam. Sam's work is incredibly detailed and beautiful and focuses on western lore and wildlife. The exhibit runs from September 3rd through December 10th. Best wishes and my love go to my wonderful Aunt Mary and Uncle Sam!

LIVINGWELL LAWSUIT UPDATE

Ron Hemelgarn and Tom Fatjo and other former officers of Living Well, Inc., the company that went bust after developing a chain of over 300 small fitness centers, face personal financial liabilities which could be well over \$50 million.

In The **CLUB INSIDER** News November, 1994 edition, we reported on the case which is be-

ing tried by jury in a U.S. District Court in Houston, Texas. The action was divided by the court into two Parts. Part I ended in a verdict by the jury that LivingWell had actually been insolvent from December 31, 1986 to October 27, 1989 when the corporation filed for bankruptcy.

With over \$148,000,000 owed to creditors and assets of less than \$5 million, the case con-

verted to a Chapter 7 bankruptcy on October 5, 1990, leaving the creditors high and dry.

The lawsuit was filed by the LivingWell Trustee in October, 1991 because during the time that the corporation was insolvent, the assets of the corporation were depleted by over \$140,000,000.

Now that the court has found that the corporation was insolvent during its last years of op-

eration, Part II of the case will be tried, again before a jury. Part II will decide the exact amount for which the officers of LivingWell, Inc. will be personally liable. The date for part II has not been set. The **CLUB INSIDER** contacted the lawyer for the LivingWell Trustee and learned that nothing has happened since Part I of the case ended with the jury decision on

insolvency, except that the court allowed the Defendant's (Hemelgarn, Fatjo and other officers of LivingWell, Inc.) to file certain motions which the judge has not ruled upon at this time.

Stay tuned to The **CLUB INSIDER** News for follow-up reports on this case at a later date.



MICROFIT'S HEALTH CARE CONNECTION

Fitness HMO: An Opportunity For The Health Club

By Neil Sol, Ph.D.

In the past, health clubs have dabbled in medically related services in an effort to enhance their credibility to consumers and because club owners/managers realized that there may be opportunity in providing medical related services. These services have included everything from nurses on staff and graded exercise testing to physician-supervised physical examinations, all of which, at that time, did not provide the anticipated contribution to the club. The failure of these efforts to be successful in the commercial club were due to two primary reasons: (1) it just was not the right time for clubs and (2) clubs lacked the understanding of how these services integrated into the goals and objectives of the club. Club management, lacking this understanding, implemented these services with a half hearted effort. Years ago, when these services were first introduced in the club, there was not a strong emphasis on prevention and health clubs viewed themselves as sports, recreation and leisure facilities. At that time, these services were added primarily to create a unique amenity for a club in competitive environment. Currently, as health

care is changing, Americans are emphasizing health. As a result, clubs are beginning to assume their responsibility as community preventive health care providers.

A variety of opportunities now exist and timing is better to include medically related programs in clubs in addition to traditional leisure and recreational programs. These medically related programs can be provided independently or in tandem with local health care providers. In this vein, one such program that can be included in clubs is a Fitness HMO.

The Fitness HMO is simply a medically-oriented health and fitness program dedicated to reducing risk factors associated with lifestyle-related disease by identifying and treating them in an easily accessible and inexpensive manner in an effort to enhance the member's health. The unique part of this program is that members and only members of the program have unlimited complimentary access to a physician(s) affiliated with the club that will provide basic medical care with emphasis in preventive care. The physician or group of physicians who may be in independent practice or associated with hospital or MCO would get

a fee for their service. Within the monthly membership dues fee for participation in the Fitness HMO program, a member could receive an annual preventive physical and could, with no appointment, drop in on the physician during his hours at the facility or at the physician's office for basic health care or "sick call". Therefore, if a member has a sniffle, he can, at no charge, have the physician diagnose the problem and offer treatment recommendations. When treatment recommendations are beyond the scope of sick call care, the physician will refer the member to his personal physician for care to be subsidized by his health care insurance plan. If the member has no personal physician, the club-affiliated physician can treat that member and receive reimbursement from that member's typical health insurance plan. Other preventive health services and procedures can also be included and provided with the Fitness HMO program, such as: pap smears, mammograms, dental cleanings, wellness education, etc.



Neil Sol, Ph. D.

health of the employee, but an opportunity for him to see the program physician for evaluation and to receive direction for efficient and cost effective recommendations for additional health care (this is "health care demand management.")

The Fitness HMO Concept is attractive to corporate purchasers and managed care providers, but maybe of most interest to the individual who has limited or no health insurance (almost 33% of the American population). The Fitness HMO offers inexpensive comprehensive well care.

Would the Fitness HMO concept be of interest to physicians?

We must remember that many physicians are now working for insurance companies receiving what in essence is a fixed salary. Many physicians are accustomed to receiving capitated fees of approximately \$15/month to see HMO patients. The Fitness HMO, if priced correctly, can afford \$15/month or more to purchase preventive services. And remember, if the member is truly exercising and using his membership to the club, his potential for use of sick call will be reduced and the physician may receive a monthly fee for a patient who he rarely sees.

The development of a Fitness HMO can occur as a stand-alone facility or as a program within the club. It would be an interesting niche for a club to have all club members involved, but it is not necessary. The Fitness HMO in today's health care environment can be a prudent venture.

(Neil Sol, Ph.D. is the President of Health Vantage, Inc., a Houston, Texas - based club consulting firm. Neil is one of the industry's leading experts in the field of health care as it relates to clubs. Neil can be reached at (714) 344-9909.)

POSITION YOUR CLUB TO PROFIT WITHIN THE CHANGING HEALTH CARE ENVIRONMENT

THE Club Insider

is proud to present a seminar by

NEIL SOL, PH. D. AND

JASON CONVISER, PH. D., MBA

**A one-day seminar for Club Owners,
General Managers and Fitness Directors**

Let two experts, recognized throughout the industry, provide you with strategies that can be immediately implemented at your club to begin a relationship within the health care environment that is appropriate for your organization.

This seminar is about the REAL MONEY opportunity for health clubs in the changing health care paradigm.

SEMINAR DATES AND LOCATIONS:

Chicago - October 20th, Boston - November 3rd,
Dallas - November 10th

**FOR MORE INFORMATION OR TO REGISTER
CALL: (713) 344-9909**

"How is this paid for?"

The member pays

To Subscribe
Send \$49

To:

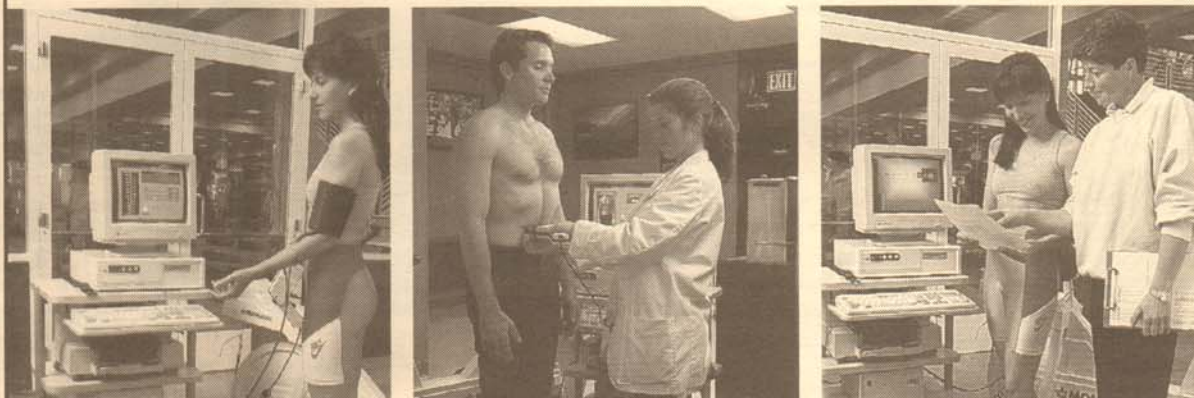
The
CLUB INSIDER
News

P. O. Box 671443
Marietta, GA 30067

the club monthly dues as usual that can be all inclusive or segmented to include the Fitness HMO program fee. If the club dues are typically \$60/month, membership in this program may then be \$80/month with \$20/month being available to compensate the MD, dentist, health educator or preventive health care provider. The club can negotiate rates with these health care professionals for these preventive services, not unlike traditional health insurance companies negotiate for prices on traditional medical procedures. As a result, a member within this program will get his typical club membership and more. This is true preventive or well care and the club that offers this service establishes itself as unique with regard to its competitors.

One consideration of special interest is the attraction of the Fitness HMO for self-insured businesses. Self-insured companies find that employees that do not have physician relationships might go to the hospital emergency room when they experience minor illnesses. An emergency room visit is significantly more expensive than a physician office visit. Corporate employee memberships in the Fitness HMO is not only an effort to improve the

M I C R O F I T® *Setting the Standard Since 1986*



The World's Leading Fitness Evaluation System

Over one million people from thirty countries have experienced the value of MicroFit evaluations. We have established one of the largest fitness databases in the world and continue to build on our success by providing the latest in fitness technology.

The MicroFit system is easy to use and features on-line evaluation, motivational graphics and informative reports. It's the perfect tool for club marketing, membership retention and corporate wellness programs.

M I C R O F I T®
H E A L T H & F I T N E S S S Y S T E M S

MicroFit systems include Fitness Evaluations, Health Risk Appraisals, Group Wellness Reports, Nutritional Assessments and Exercise Plans.

Call Today 1-800-822-0405

©1994 MICROFIT, INC.
1077-B Independence Avenue / Mountain View, CA 94043
Telephone 415-969-7296 / Facsimile 415-969-2067

ATTACKING HIDDEN EXPENSES - Part II

By Rick Caro

(Editor's Note: This is Part II of a four part series on ATTACKING HIDDEN EXPENSES which was reprinted from the July, 1994, edition of The CLUB INSIDER News. Parts III and IV will be reprinted in the next two editions. Rick Caro is the club industry's most recognized authority and expert on cost control. The information provided in these four important articles could help you reduce your club's total annual operating expenses by 5-15% if carefully studied and applied to your situation. We urge you to retain and use these articles over the years.)

The ideal place to save on club expenses is the category where all of the benefits flow to the bottom line and where the member never sees any change in the club's operation. Part I dealt with the state-mandated Workers' Compensation Insurance issues. This section will address another such hidden expense.

UNEMPLOYMENT INSURANCE

All clubs are subject to state and federal unemployment insurance rates. These are calculated based on the club's actual unemployment experience.

A new business is given a high rate on both its state and federal unemployment insurance.

For example, a new club may be paying a combined 5% of its payroll. As each year passes, the state evaluates the dollars contributed to the unemployment insurance "bank" versus the dollars paid out to former club employees by the state for their unemployment claims. If there is a favorable balance of excess premiums paid in, the club will receive a lower rate for the following year; an unfavorable rate will create a rate increase.

The importance of this calculation is there can be a wide fluctuation, especially in the first five years of business or if there are several



Rick Caro

employment wages. This could mean a .5% - 1% increase. If that is multiplied by the club's entire payroll, the increase may be \$2,500 - \$5,000, for a large club, it could mean \$4,000 - \$8,000 or more. This may seem insignificant, but any savings can fall right to a club's bottom line this year and may create a lower base for future years.

It would seem obvious that all clubs should contest any claim by a former employee that seems unwarranted. Yet, few of these illegitimate claims are protested by clubs and protested effectively. Instead, the club allows the former employee to take advantage.

(See Caro page 15)

AAC In-House

The New and Easy, Computer Software System for Do-It-Yourself In-House Receivables/Facility Management



Simple to Understand!!!
Simple to Operate!!!
100% GUARANTEED —
100% SUPPORTED

Basic Package **\$695⁰⁰**
 Now Only

FRONT DESK
CHECK-IN

CONTRACT
ENTRY

BILLING

CLUB
CONFIGURATION

Additional Modules Available

POINT OF
SALE

SCHEDULING

FITNESS ASSESSMENT
SOFTWARE

AAC In-House® Software Package

Call GARY PIPER or JERRY LEE

1-800-233-8483

Affiliated Acceptance Corporation • Main Post Office Box 419331 • Kansas City, Missouri USA 64141-6331

September 9, 1995

Dear Mr. Cates

I would like to thank you for publishing my letters to you. They seem to be working. A lot of clubs are calling Hoist lately. This seems to have a direct effect on the amount of toys I get in any given month.

There are only two things I would like your help with this month.

1. Could you please find some way to tell your subscribers about the over-built free weights Hoist makes? My Dad says Hoist has redesigned their freeweights to without question be the most over-built stuff out there. So its up to you to get your readers to at least call Hoist and take a look.

2. Everybody knows Hoist for their Glute Master and Smith Machine. When people see these they say they are the best they have seen. Hoist makes over seventy machines all with the same quality.

So Mr. Cates have people call Hoist -1-800-548-5438 for free info.

Thank you,

SEAN

Sean Datte,

Son of Hoist Fitness Systems National Sales Manager, Steve Datte

P.S. I will miss my Dad while he is away at the CLUB INDUSTRY Trade Show in Chicago. My Dad says he will be at the Hoist Booth #821 so your readers don't miss him.



A STEP ABOVE.

INTRODUCING THE NEW FREECLIMBER® 4400 PT™ FROM STAIRMASTER® We've just made the world's best climber even better. The new FreeClimber has the same unique feel as our 4000 PT® model, but it is even more comfortable to use. **REVOLUTIONARY RAIL-LESS DESIGN** The sleek, rail-less design of the 4400 PT encourages you to use more of your lower body muscles than any other climber. Bottom line? Exercisers love the fact that they burn more calories with



less perceived effort. No wonder the FreeClimber is our fastest selling piece of fitness equipment. Besides all the rave reviews, you'll love these special features:

NEW 3-YEAR WARRANTY A 3-Year Warranty is our assurance of the quality built into each FreeClimber. **ALL NEW CONSOLE** The

new console increases the top climbing speed by more than 25% to 174 steps per minute and offers 7 new programs—each with 20 levels of intensity.

SPACE-EFFICIENT It's also the most space-efficient climber designed, requiring only 6.3 sq. ft. of floor space. **FREE INFORMATION** For more information on the

revolutionary FreeClimber, as well as StairMaster's complete line of extraordinary fitness equipment, call today for 100% financing with 72-hour approval. Take the most important step and call now.



Shaping the Future
of Fitness

StairMaster
SPORTS/MEDICAL PRODUCTS, L.P.

1-800-635-2936

© 1995 StairMaster Sports/Medical Products, L.P. / StairMaster, StairMaster, FreeClimber and 4400 PT are registered trademarks and 4400 PT is a trademark of StairMaster Sports/Medical Products, L.P.

**DON'T GIVE AWAY
THE STORE!
GIVE AWAY
A VACATION!**



**Membership
Renewal
Referral**

Promotions That Work!

**NO HASSLE TRAVEL PROMOTIONS SINCE 1973
APEX TRAVEL PROMOTIONS
(800) 666-0025 (Ext. 22)**

Fully licensed and bonded

★ **ORLANDO**

★ **HAWAII**

★ **MEXICO**

★ **CARRIBEAN**

★ **LAS VEGAS**

★ **RENO**

Developing Partnerships With Physicians

By James M. Evans

Less than ten per cent of the American people engage in a regular program of exercise - a statistic which has remained relatively unchanged during the past quarter century! Granted, the total number of people who exercise is greater because of the increase in population, but the percentage of those exercising is still the same. This is disheartening to fitness professionals who have strived for so long to change the sedentary lifestyle which has become so closely identified with our country. However, another

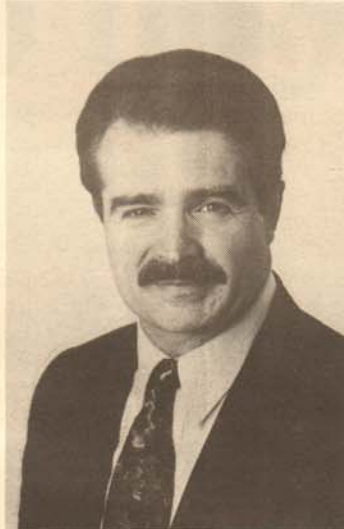
statistic gives cause for hope and has been greatly ignored by the fitness industry: 70% of Americans will begin an exercise program when it is prescribed by their physician!

There has always been a credibility gap between physicians and the fitness community. Part of the problem stems from the fact that many physicians think because they have a medical degree they know everything there is to know about the human body - including exercise. Fitness professionals know better. At the same time, many fitness professionals think that exercise is a remedy for everything. Doctors

know better.

There has also been the implied economic threat to physicians that they would have fewer patients to treat if people took better care of themselves and therefore, the fitness industry has been perceived as an opponent rather than an ally. That same antagonistic perception by physicians with regard to the chiropractic field has existed even longer and has probably contributed to the generally more cooperative relationship between chiropractors and fitness professionals over the years. The recent focus on health care reform and managed care has started to bridge the gap between these longtime combatants and is fostering more conciliatory relationships. Even as I write, the *Des Moines Register* has featured a story about the cooperative relationship between a local neurologist and a team of chiropractors. The patient - the customer, in other words - is finally more important than the petty politics of who can best serve him/her.

How can we capitalize on this new spirit of cooperation with the medical community? For one thing we should not wrongly assume that because physicians (and other medical practitioners) are in regular contact with the ills of the world, many of which are directly attributable to poor lifestyles, they will logically



Jim Evans

physicians are embarrassed by their lack of knowledge about equipment and fitness in general in the presence of increasingly more educated patients and a familiarization tour will often inspire them to refer patients if they feel comfortable with what you have to offer.

Introduce physicians to your staff in the context of an after-hours or weekend get-together so that they become aware of the advanced training and qualifications of many of today's fitness employees. Physicians can relate to education and certifications because their career has been based on many

years of academia.

Perhaps, even offer complimentary memberships to local physicians and then assign one of your best personal fitness trainers to work with them one-on-one at a slow time when few members are using the facilities so that they do not feel like they have to "perform" in front of others.

Facilitate physician referrals by providing complimentary guest passes to local-area physicians to distribute to their patients. Doctors are more apt to send patients to you if they have something tangible to give them and patients are more likely to use a guest pass if it is presented to them by their physician.

The changing climate in health care provides the fitness industry with new opportunities to develop cooperative partnerships with those in the medical field. For the first time, doctors, fitness leaders and other health care professionals are beginning to work together to everyone's mutual benefit. Insurance companies too, are promising to play an important role in the equation. These are exciting times, aren't they?

(Jim Evans is Executive Director of Heartland Health Center in Boone, Iowa and will be one of the feature speakers at the Association of Hospital Health & Fitness Workshop on September 26-27 in Orlando, Florida.)



SPRINGFIELD CORPORATION

WHOLESALE DISTRIBUTOR OF INSTITUTIONAL LINEN

Imported & Domestic Textile Products

Take the guess work out of your

**Towel Purchasing
Satisfaction Guaranteed**

**QUALITY PRODUCTS
at
COMPETITIVE PRICES**

Rubbermaid®

Commercial Products
Authorized Distributor

CALL 1-800-241-2081

ASK FOR OUR CURRENT PRODUCT LIST

HEALTH AND ATHLETIC CLUBS
The Supplies You Needed Yesterday!

HRSA

ASSOCIATE MEMBER

P.O. Box 81345 • Atlanta, Georgia 30366

404/451-3951 800-241-2081 FAX 404/457-9557 FAX 800-772-6760

To SUBSCRIBE

Send \$49

To:

The

CLUB INSIDER

News

P. O. Box 671443

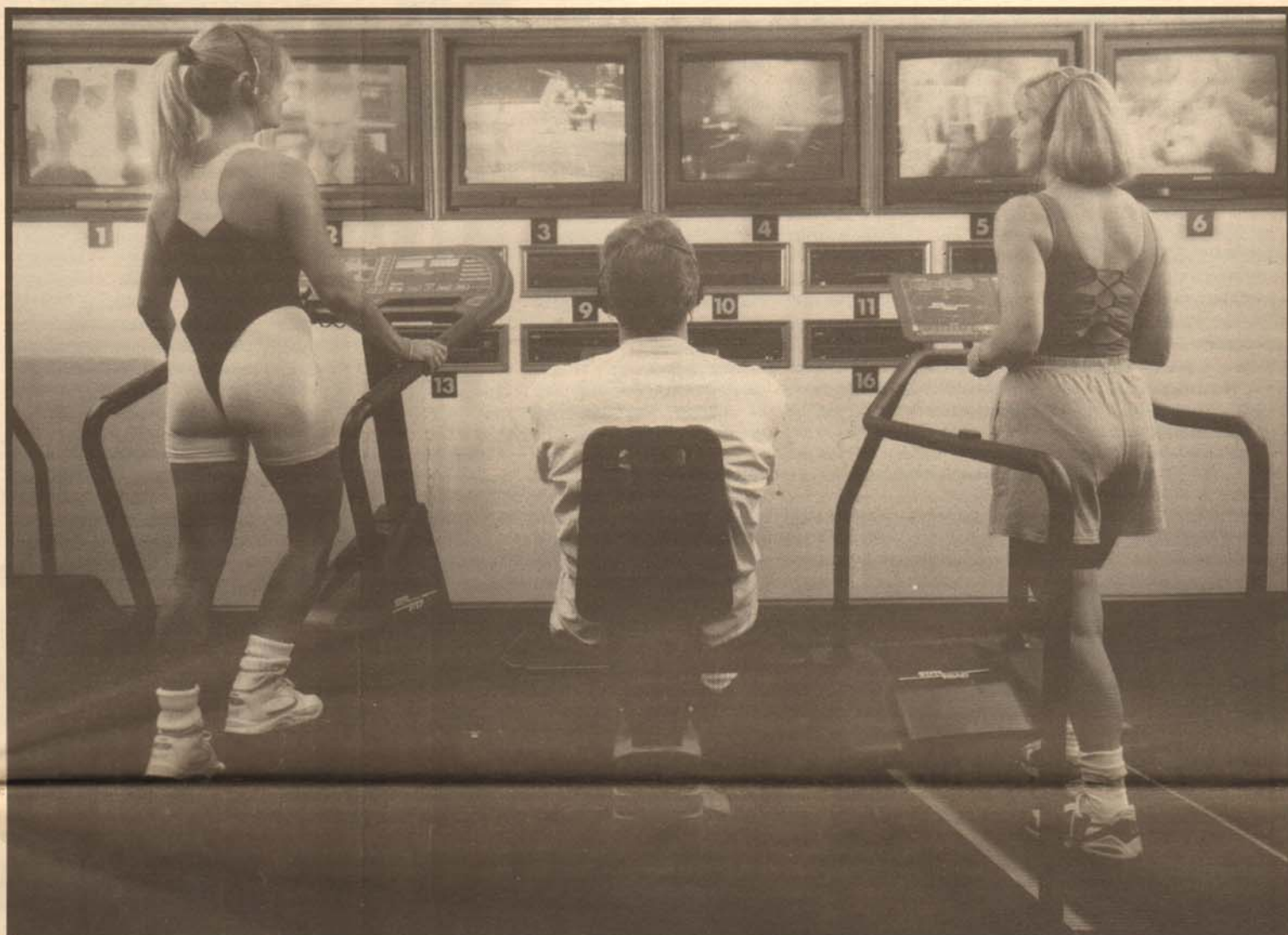
Marietta, GA

30067

avoid those things which are detrimental to their own health. We assume that they will eat a healthier diet, watch their weight and exercise on a regular basis because of their constant exposure to the maladies of others when, in fact, they are no different than anyone else when it comes to lifestyle choices. And, after all, don't we have people in the fitness profession who do not practice what they preach? Just because people know better doesn't mean that they will act on that knowledge.

Physicians can have a profound influence on the behavior of others as indicated in my opening paragraph, so it follows that the more physicians we can influence to become physically active or at least more knowledgeable about the benefits of exercise, the more of these same physicians will realize the benefits of a more fit lifestyle for their own patients and prescribe it accordingly. Therefore, we need to create more opportunities for physicians to become exposed to what we have to offer in our different facilities and encourage them to participate in our programs.

One suggestion might be to hold a special open house for physicians where they can tour your facilities and become more familiar with the sophisticated equipment found in today's modern fitness centers. Many physi-



How To Keep A Captive Audience

Call (800) CARDIO-1 or (404) 848-0233 for details.

CARDIO *Theater*®

Distributed By Cardio Theater Holdings, Inc.
(an Affiliate of Australian Body Works)

WE PUT FUN INTO FITNESS

Club Services Offers Customer's Perspective

By Jeff Stokes

(Editor's Note: In the February, 1994, edition of *THE CLUB INSIDER*, we published an article on the start up of a new company named Club Services. At that time, Michael Bare and Jeff Stokes, (President and Vice President of Club Services) envisioned a service made available to the club industry which in our opinion was clearly needed. This service would give the club owner/manager the ability to receive potentially valuable information about their operations, from the customers perspective. This service would be made available to clubs across the U.S. Jeff Stokes provides this update on Club Services.)

The demand for our new service has shown ongoing increases since we began to offer it 18 months ago. I feel that one of the key ingredients to our success to date with Club Services is the highly competitive nature of our industry. Customer/member satisfaction has become a primary focus for many club organizations. Top notch service is one of several ways to differentiate a club within a market place. And, in order to evaluate a club's level of service and satisfaction for members and prospects alike, we have provided the club shopper service. However, the club industry has barely begun to scratch the service when it comes to accurate measurement of "customer satisfaction" when compared to other industries such as the restaurant, bar

and hotel industry.


As pioneers in the club industry in the area of measurement and reporting of customer satisfaction, we already have some clients who have obtained excellent results. For example, WTS INTERNATIONAL, a recreational management company based in Bethesda, Maryland, has been using our service. Frank Guengerich, Vice President of WTS says, "I have seen a dramatic increase in our personal training revenue simply because our staff is now aware they may be shopped. The amount of money now being recorded from personal training has tripled since we implemented the Club Services shopper program."

The Club Services secret shopper service is only one of many programs that we offer. Mike Bare, is President of both Club Services and Restaurant and

Hotel Services..... one of the largest customer research firms in the country with over 4,500 clients internationally. Mike says, "The shop service is only one of many services we provide. Many of our clients simply want us to report on how they are handling their incoming telephone calls. Through our Telephone Call Testing program, we call clubs throughout the country on a daily basis and provide reports on how the calls are handled. The detailed reports are then used by management as a training tool to help improve their staff on phone skills. "Emphasizing that reports should not always be used to uncover the negative, but to reinforce the positive, Mike added, "Many organizations use our reports as an incentive program for the employees who receive the best scores. Bonus awards are paid accordingly."

Over the past few years, customer feedback programs have become a hot item for many industries. Retail, airlines, automotive and banking are using these kinds of services. All have realized the importance of recognizing their customer's views and opinions as part of their ongoing approach to business. Quality service has to be the dominant core of an organization from top to bottom. The club industry is still very young and can learn some things about service from other, more established industries.

In general, Club Services provides a new alternative to an old concept. Learning more about your operations from a professional - third - party, which is completely unbiased and objective, is a win-win situation for you, your staff and ESPECIALLY YOUR CUSTOMERS!



Advanced Management Training Workshop

The Only Club Management Training Program of its kind for Club Owners, Managers & Department Heads

Since 1981 hundreds of club managers and owners have graduated from this program. It is designed to give you a management system that all other resources and systems fit into — a management template, if you will. This workshop should prove to be exciting. The workshop will be held at the CMS World headquarters in scenic, historic Helena, Montana. Besides the intense learning experience, you will also get a chance to discover what many people call "the last best place on earth". If you have never been to Montana then you're in for a treat!

THE WORKSHOP FORMAT • This 4 day intensive workshop is designed to develop advanced and sophisticated management skills through a series of specialized training techniques and experiences. The workshop is a NO-ONSENSE, straight out learning and development course in Professional Club Management.

CURRICULUM HIGHLIGHTS • featuring the TRIAD SYSTEM and the new M-TRAC and TEL-TRAC SESSIONS

- | | | |
|---|----------------------------------|--|
| 1. The CORE System of Club Management | 8. Expense management | 15. Resource development |
| 2. Club salesmanship training | 9. Internal club controls | 16. Implementing changes |
| 3. Time management for club managers | 10. Successful club programming | 17. Parallel industry learning experiences |
| 4. Setting up the internal sales department | 11. Decision making | 18. Future vision session |
| 5. Membership marketing | 12. Staff development techniques | 19. Success with food & beverage operations |
| 6. Membership retention strategy | 13. Streamlining operations | 20. Project your financial statements to projected standards |
| 7. Conversions & self assessment | 14. Individual club counseling | |

CMS Advanced Management Training Workshop Level I
 @ \$495*/person:

□ November 12-15, 1995

**SEATING IS LIMITED...
 MAKE YOUR PLANS!!!
 406-449-5559**

FAX 406-449-0110
 Call or Fax for Your Registration
 Package & Application Now



— Recipient of IHRSA Industry Service Award —

YOUR FACILITATOR Mike Chaet, Ph.D.

• An industry legend & president of Club Marketing and Management Services, Mike is one of the leading club marketers in the U.S. He is a contributing author to numerous fitness journals, and is the guest lecturer for such organizations as IHRSA, Club Industry and BodyLife. Mike has been in the club business since 1965, during which time he has been involved in every level of the club operations, including a prestigious stay at the Los Angeles Athletic Club. Along the way he has owned and operated his own clubs. As a consultant, Mike has been involved in the development or management of over 1500 different clubs worldwide. He is quite simply the supreme educator who will transform your approach to club marketing and management.

• You will also have the opportunity to learn from other industry leaders and guest faculty.



DORIAN YATES WINS AGAIN!

Atlanta, Ga. - Dorian Yates of London won his fourth straight Mr. Olympia title in Atlanta on September 9th. Yates pocketed \$110,000 for his efforts. Kevin Levrone won the \$50,000 second place; Sonbaty placed third for \$30,000; Shawn Ray was fourth for \$25,000 and Vince Taylor placed fifth winning \$25,000.

The first Ms. Olympia contest was held and Mia Finnegan of Los Angeles won the new Ms. Olympia Title and \$25,000. Finishing second was Carol Semple Marzetta, formerly of Atlanta and now based in Denver. Perhaps the highlight of the evening was the return of the first nine Mr. Olympians for the celebration of Founder, Joe Weider's 30th year of Mr. Olympia contests. Arnold Schwarzenegger,

"The Terminator," Mr. Olympia from 1970-75 and 1980, flew in from New York where he was filming a movie to give Joe Weider a big hug on the stage in front of a packed house. Also returning were: Larry Scott (1965-66), Sergio Oliva (1967-69), Frank Zane (1977-79), Chris Dickerson, 1982, Samir Bannout, 1983, Atlanta's Lee Haney (1984-91) and Dorian Yates, 1992-95.

...Western Reserve

continued from cover

volved. Here is a blue-print for anyone who must close a club:

- (1) They provided all club members with a 30-day written letter of notice about the closing.
- (2) They provided refunds to all members who were due refunds..... a total of \$52,000 was refunded with checks made to members and enclosed with the closing notice letter.
- (3) They relocated all members who desired help to other clubs in the area with the cooperation of those clubs.

(4) They transferred their medical and managed care contracts to the other seven clubs now in the Fitness Network of Arizona. (Zaik will continue to work closely with the Fitness Network).

In short, the closing of the club was done in a highly professional and first class manner.

After 12 years of service to the Western Reserve Club, Zaik has joined HealthCare Dimensions, a company founded by Mary Swanson, a 15-year veteran of the healthcare business. The company now provides a vast menu of services to the healthcare and healthclub world.

Ernie Zaik brings a plethora of experience in the club industry to HealthCare Dimensions. At the Western Reserve

Club he had been successful in putting together an organization called the Fitness Network of Arizona, one of the first such networks in the country. The Fitness Network originally consisted of a group of five Phoenix area upscale clubs which joined forces to provide a reciprocal membership access program amongst the club group. It was through this Arizona Fitness Network that Zaik was able to establish a relationship with the MetraHealth which provided the Fitness Network of Arizona with significant capitated membership payments.

While the Western Reserve Club is now history, Ernie Zaik and HealthCare Dimensions are now beginning significant thrusts in the healthcare world in the western United States.

CLUB INDUSTRY SHOW SPECIAL BUY ANY 3 TRACKMASTER TREADMILLS AND GET THE 4TH FREE!

YOU MUST MENTION THE CLUB INSIDER. IT IS THE ONLY PLACE THIS OFFER WILL APPEAR. YOU MUST CONTACT CHIP MAYBERRY DIRECTLY, EITHER AT THE CLUB INDUSTRY SHOW OR BY PHONE AT (813) 975-1545.

OFFER EXPIRES OCTOBER 31, 1995.

NOT VALID IN CONJUNCTION WITH ANY OTHER OFFERS OR NEGOTIATED PRICE.

**JUST CALL TRACKMASTER
AND GET IT
OVER WITH**



TRACKMASTER®
THE TOUGH CHOICE



TO TAKE ADVANTAGE OF THE 4 FOR 3 OFFER CALL: CHIP MAYBERRY: 813-975-1545

There is no place on earth like Costa Rica!

Villa de Papagayo El Ocotal, Costa Rica

Villa de Papagayo is a brand new luxury four-bedroom, four-bath villa with full staff (cook, maid and butler) located on the Pacific Ocean in beautiful Costa Rica. The view from the villa is revered as one of the most beautiful in the world.

The lushly-landscaped villa includes an oversized deck with swimming pool and waterfall. There is also a spectacular great room with 32-foot ceilings, TV, VCR stereo and air-conditioning. Guests at the villa also have use of the amenities at the nearby Ocotal Resort Hotel, which includes three swimming pools, tennis, scuba diving, snorkeling, beach and health club.

Also available are the world's best sports fishing for marlin and sails, rain forest, volcano and giant sea turtle tours, birdwatching, horseback riding, whitewater rafting and various other nature tours.

An all-inclusive plan provides all your food and drink (an open bar) during your stay at Villa Papagayo. The staff is there to provide for your every need and you will enjoy daily wonderful meals of fresh seafood, fresh vegetables and fruits like you've never tasted before. The villa is ideal for parties of four, six or eight persons. Beds can be arranged as kingsize or single for your personal needs.



Those who have seen the view from Villa de Papagayo call it one of the most spectacular in the world. With parrots and monkeys in nearby trees one soon realizes he or she is in a nature's paradise.



The great room has spectacular 32-foot ceiling, French doors opening to the ocean, a catwalk with spectacular views, television, VCR and stereo.



The villa has four bedrooms, including three master suites with ocean views, private terraces, air conditioning, overhead fans and full baths. A fourth bedroom has a full bath and bunkbed.



Villa de Papagayo's giant terrace overlooks the Pacific Ocean and includes a pool with swim-up bar, waterfall and ranchero. In the evening guests dine outside under the stars.

For availability call (404) 255-3220

• MIND • BODY • SPIRIT •

Tapping the Potential of the 50+ Market

By Norm Cates, Jr.

The "old gray mare just ain't what she used to be" or "you can't teach an old dog new tricks" are cliches which will soon become passe' if John Rude has anything to say about it.

John Rude of Eugene, Oregon-based John Rude and Associates, recently produced and conducted an inaugural symposium entitled: MIND, BODY, SPIRIT: Tapping the Potential of the 50+ Market. The faculty consisted of John Rude, M.S., Sandy Coffman, Cynthia Adams, Ph.D., Stan James, M.D., Diane Doster, M.S. and Juliana Larson.

Sixty fitness professionals from nineteen states and Canada attended the landmark symposium conducted at the Downtown Athletic Club in Eugene, Oregon. Participants represented a variety of housing, physical therapy, consultants and suppliers of athletic equipment.

The purpose of the symposium was to prepare fitness professionals for the development of products, services and marketing strategies as they relate to the growing mid-life to older adult market.

THREE PACKED DAYS

Each of the three days had a unique focus:

Day 1 - discovering a new aging paradigm based on research and reality. This day was about changing perceptions of age and aging; providing up-to-date information on research which speaks powerfully to the new paradigm of aging (moving away from perceptions of limitation to perceptions about potential).

Day 2 - learning how aging principles apply to program design and service development. Lectures on concepts and strategies were combined with demonstrations on how they work in a "living laboratory" setting. The club hosting the conference, (Eugene Downtown Athletic Club), recently was

honored at the '95 IHRSA Convention for runner-up in the national IHRSA/KEISER 50+ Award. John Rude had designed the program three years ago and it has now grown to several hundred members.

Day 3 - learning how to attract, motivate, retain and communicate to the maturity market segment (Mid-life to older adult consumers). A number of strategies were laid out and a workshop involving the audience in critiquing good and bad print and TV ads based on the concepts taught was conducted. (See the symposium agenda below).

The Bottom Line: the whole purpose of the conference was to send people home with the knowledge, understanding and tools necessary to be successful in their own setting.

DAILY FEEDBACK

At the end of each day a dialogue between the audience and the faculty was held. All the topics for that day were discussed. Several older adult consumers added a new dimension to the symposium wrap-up and they were a hit as most questions were directed toward them.

Even though the audience represented several businesses which have been working with the maturity market, it was clear to observers that the information presented expanded the thinking of both neophytes and the experienced. It is believed by John Rude that most of us (in Western culture) are pretty clumsy at working with this market segment because we are all part of a cultural experience which denies aging. That denial, Rude argues, creates all sorts of misperceptions about aging and none of us are immune to this conditioning.

The feedback from the attendants is indicative of the success of the event. (See letters on this page). A key ingredient to the success of the symposium was an afternoon spent in "living laboratories". Participants had an opportunity to witness a variety of

land and water-based programs which are part of the Downtown Athletic Club's award-winning older adult program called e3 (pronounced "e-cubed"). In addition, older adult consumers sat on a panel to answer questions about their experiences and motivations behind exercise.

THE EVENT SPONSORS

The symposium was sponsored by Keiser as the major sponsor and Life Plus and MicroFit as minor sponsors. The sponsors did more than ante up funds for sponsorship. They were invited to be part of the curriculum and present educational information on their products and services. Further, the sponsors attended the entire event and participated in the curriculum like everyone else.

PIONEERS LEAD THE WAY

The health, racquet and sports club industry has had the benefit of "pioneers" who have led the way. Sandy Coffman is one of those people. And, it looks like we have another true "pioneer", John Rude, who is determined to lead the way with eye-opening breakthrough training in the area of fitness for the adult consumer. With a huge shift in demographics now underway, the fitness industry must begin preparing for a market segment often misunderstood but one filled with numerous challenges and business opportunities. Future symposiums are currently being planned nationwide with the next one in early 1996.

MIND • BODY • SPIRIT Tapping the Potential of the 50+ Market

Symposium Agenda:

DAY 1 - Building a "NEW" Aging Paradigm

• The Transformation of the Fitness Industry - John Rude
• Breaking Down the "OLD" Aging Paradigm - John Rude

• Principles for a "New" Aging Paradigm - Cynthia Adams - John Rude

• Potentials for Fitness - Dr. Stan James

• Video on strength training with older adults

• Keiser Presentation - Dennis Keiser

• Open dialogue with faculty

• Food & Fun at the DAC

Day 2 - Developing the Product

• Keys to Aging Well: Exercise Body, Mind & Spirit - Cynthia Adams

• Understanding The Values and Behaviors of Mature Adults - John Rude

• Progressive Aerobics Programming For Older Adults - Sandy Coffman

• Components For A Successful Program - Diane Doster

• Living Labs: Observe Classes In Progress

• Creative Movement Programming - Carey Hilbert

• Mind-Body Connection

Programming - Carey Hilbert

• Strength Training - Lisa Jensen & Nicole Holbrook

• Water Exercise - Jeri Quinn

• NuStep Presentation - Steve Sarns

• Intergenerational Approaches To Progressive Aquatic Programming - Juliana Larson

• Open Dialogue With Faculty and 50+ Consumers

Day 3- Marketing the Product

• Marketing Strategies: Advertising, Public Relations & Sales - John Rude

• Building Strategic Alliances - John Rude and Cynthia Adams

• Shirtsleeve Workshop - Putting "New" Aging Principles Into Practice: Marketing & Communications: John Rude & C. Adams

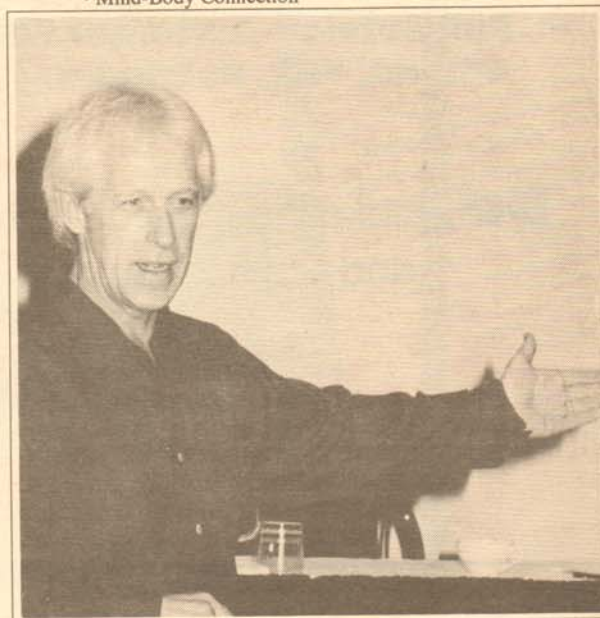
• Programming For Retention - Sandy Coffman

• Observe Cardiac Rehab Classes In Action

• MicroFit Presentation - Rob Rideout

• Putting It All Together: Open Dialogue With Faculty

• Motivational Wrap - Up & Closing Remarks



John Rude

The Simple & Powerful Club Management System

To be any easier to use, it would have to run itself...and it practically does!

- **Photo-imaging Check-in**
- **Unlimited Report Capabilities**
- **Automated EFT**
- **Full Service Customer Support (Phone, Fax, Seminars)**



So, make the first call right now. **Dial 1-800-554-CLUB** and see how easy it is to get *ClubRunner* working for you.

Club  **runner**[™]

CLUBRUNNER: THE STRESSLESS SYSTEM

880 JUPITER PARK DRIVE, SUITE 3

JUPITER, FLORIDA 33458-8901

1 (800) 554-2582 / (407) 746-3392

...Caro

continued from page 6

tage of the club. However, what may be worse is that the club has created a standard for other employees to follow when they might leave the club.

THE INCIDENT

A club employee leaves the club while on duty and goes to a liquor store to buy a quart of vodka. She returns to the club and offers bloody mary drinks to both members and working club staff. She signs for 18 tomato juices at the club cafe. This action creates a series of violations of the club's personnel policy manual and - more importantly - a violation of the state's liquor law as the club only had a wine and beer license. Dispensing alcoholic beverages is a criminal offense and could result in the club's losing its current liquor license. Also, no insurance company provides coverage for clubs who break the law. So, if any club member or staff member gets into an automobile accident and blames the club, the club's insurance company will deny coverage. Consequently, the club's entire assets will then be exposed.

This sounds like a simple situation where the employee should be terminated and immediately ruled ineligible for any unemployment benefits. This was not the case.

First, the club utilized its mentoring mentality by only writing up the employee with a warning. The employee denied her involvement and refused to sign the written warning form. Three other employees were also issued written warnings and signed them. All three implicated the first employee, the purchaser of the alcohol and the distributor of the drinks. This same employee called in "sick"; the next day after the warning meeting. Yet, in the middle of what would have been her 8-hour shift, she showed up at the club to work out.

Second, she was now confronted the following day with another written warning for the new offense. She refused again to accept either as the truth and was immediately terminated for cause.

The next steps are generally procedural. The local unemployment office sends a form asking for data on wages over the preceeding 26, 39 or 52 weeks, the reasons for termination or resignation and whether the club would

hire the person back if an opening was available. In this case, this was a full-time employee who had over \$26,000 in wages and would never be hired back.

For whatever reason, the club had no further communication and thought the matter was resolved appropriately. However, several weeks passed before the club received notification that this former employee was collecting \$250 per week each week since she was terminated. Obviously, this was charged against the club's account and would affect its favorable unemployment insurance rate.

UNEMPLOYMENT HEARING

The club requested a hearing in writing, since no oral request would be honored. Since the club wanted to bring several people, the initial hearing dates were changed to accommodate employee schedules. Then, the former employee received delays. The end result was that the actual hearing occurred 4 1/2 months after the termination. By that point, the ex-employee had received almost \$5,000 from the state. This was even more frustrating to the club when it learned that she had been working all during this period for another local club "off the books."

The key to success at a hearing is proper preparation. The club needs to provide a complete personnel file on the former employee with copies available for the hearing. Ideally, the club should have a written personnel policy manual and each employee should sign the front page indicating he/she had received it and was responsible for its contents. This signed sheet should be kept in the employee file folder. The personnel policy manual should enumerate all of the club's policies. It should list some - but not necessarily all - of the behaviors which are unacceptable and subject to immediate termination for cause. In these cases, no written warnings are required.

Other written evidence should be assembled for the hearing. The notarized affidavits of eyewitnesses, the written chits at the cafe for the bloody marys, the name of the vodka brand, the stacked up plastic cups still on the former employee's desk found the next day, a copy of the liquor license, the time cards of that employee, any photographs (including her working out on a "sick"

day) etc.

There was a range of staff and club members who could serve as witnesses in the hearing - general manager, her direct supervisor (department head), other staff who were violators who accepted the drinks, club members who were given the bloody marys, the club's owner, etc. Since many of these were not able to attend a hearing during a day with little advance notice, the burden generally falls on the senior staff and other current employees. Each should immediately jot down his/her recollection of all aspects of the incident. They should be asked lots of questions to help refresh their memory on what happened before, during and after the incident, how did it happen, who was there, where did it occur and what was their role. Honesty and completeness are crucial.

DYNAMICS OF THE HEARING

The judge who administers the hearing is often a civil servant who is not a lawyer nor trained as a judge. The "judge" may simply be a 50 or 60 year-old who attended some classes on the rules of a hearing and the basis of eligibility for unemployment benefits. Often, the hearing is limited to one hour. Each person takes an oath and a tape recorder is used. It is typically in a small room-rarely a court room - in an old government building.

The club is not required to bring its lawyer along and spend substantial dollars in preparation and hearing time. Rather, the club should designate a top person in the organization (owner, general manager, director of human resources, controller) to take the lead. Often, the judge will grant much more flexibility in how the evidence is presented, the manner of questioning and how the witness can be led, the inclusion of non-essential information and even, hearsay. Each side can cross-examine the other's witnesses. Generally, the only witness for the ex-employee is that person. He (she) may bring a lawyer, but only if it seems cost effective.

The hearing's results were not sent for another 3 weeks after the hearing and the ex-employee continued to collect unemployment wages. The decision was granted in favor of the club.

The employee was ordered to reimburse the state, and the state had to garnish her wages (10% per week).

The state never corrected the club's unemployment account even after this favorable decision. In fact, the club received an .8% increase in its rates or a proposed \$5,600 additional payment for the following year. After a series of three letters over five months, the account was clarified.

The actual preparation time was 2 1/2 hours, the hearing lasted one hour and the paperwork another one hour cumulatively. This resulted in a \$1,200 return per hour expended. Not bad since this could have been a compounded cost going forward if not contested.

Many clubs have had actual terminations due to proven employee theft, an employee hitting a child in the nursery, drug abuse and selling drugs on the club

premises, damage to club property and repeated no-shows for member appointments costing the club considerable revenue. Many clubs have chosen not to fight the unemployment process because it seemed too unwieldy and there was such a strong bias toward the employee.

Perhaps, the unemployment situation should be rethought by the club. Philosophically, the club deserves to win and does not want to create a climate for other non-qualifiers to follow. Practically, it deserves to win and the time and effort involved are not substantial.

(Rick Caro is President of Management Vision, Inc., a consulting company to clubs and acknowledged expert in club finances, operations, valuations and sales. Management Vision can be contacted at: (800) 778-4411).

AAC *Success Track*
SERVICE PROGRAMS

BAD DEBT COLLECTION

Turn delinquent accounts into
CASH TODAY!

The AAC Collection System is designed specifically for the Health Club and Martial Arts industry. Using a combination of gentle but firm customer letters, sophisticated telephone collection techniques and national credit reporting agency assistance, we are able to collect significant bad debt percentages without creating a negative image for your facility.

LOWEST FEES IN THE INDUSTRY.

Affiliated Acceptance Corporation

BOX 419331 • KCMO 64141

Best in the business, and we can prove it!

Call Gary Piper or Jerry Lee
1-800-233-8483

EFFECTIVE TRAINING

By Will Phillips

THE COSTS OF TRAINING

Training is an invaluable tool when implemented effectively but the key objective is to ensure that we add value and not cost to the organization.

The Benefits of Training -- Up To 1000% Return

Organizations which have discovered how to make training contribute significantly are investing 1-2 weeks of training for every employee every year, and reaping a ten-fold return on training costs.

Training adds extra costs to your organization. Many of these costs can be increased or decreased dramatically by the design of the training. The hard dollar costs may include the trainer, materials, facility and participant's travel and expenses.

One of the obvious indirect costs is the participants' time. In addition, there are a large number of less obvious indirect costs. These include lost opportunities which occurred while the participants were in training; frustration of participants who have heavy workloads; frustration of participants who see the training as irrelevant; and the frustration of par-

ticipants who experience the training as good, but do not believe those back home will use it.

This last series of less obvious and indirect costs are probably significantly greater than the more obvious, upfront direct costs.

GUIDELINES FOR SUCCESSFUL TRAINING

Here are some guidelines to make your training an investment not a cost:

1. CRITICAL MASS.

Real work teams should PARTICIPATE IN training as training units. These can be permanent teams of people who work together; or they can be temporary, cross-functional teams from a strategic business unit. Most training, for purposes of efficiency, pulls people out of a number of units who do not work together and who may even be from separate organizations. While this decreases the impact of their absence, it also dramatically decreases the benefit of the training. The training of mixed groups means participants return home where no one else understands the training. Within a few weeks most of the enthusiasm, energy, knowledge and skills gained in the training have disappeared.

2. LINE MANAGERS ARE THE BEST TRAINERS. When line managers actually teach their workers, they will deliver an accurate picture of the current practices in the organization. If you wish to make changes in these current practices, it is best to concentrate on getting support, skill and buy-in from your line managers on these changes. You should then have the line managers train their subordinates. Too often the so called "expert" trainer is an expert only in presentation skills, entertainment and the design of a good training session. They may have no practical experience managing people and work flow.

In some organizations people are trained about computers by computer experts; they are trained about operations by operations experts. However, when it comes to management training, managers do not do it, the trainers do. This has the potential for creating a large gap between what the trainer is training and what the real managers are doing. This is often the trainers attempt to bring



Will Phillips

change to the organization. Change must occur from the top down if it is to be effective without creating a revolution. Top leaders and line managers must be directly involved in this sort of training. (See "Why Training is the Boss's Job," *Fortune*, January 23, 1984.)

All training, which focuses on introducing new skills or change into the organization, will benefit dramatically by having a cadre of the **KEY LINE LEADERS PRESENT AT THE BEGINNING AND END OF THE TRAINING.** They should be there to answer questions from participants about specifics on why the training is important, will it be supported by management, what are the changes to be made, etc.

3. Effective training is JUST IN TIME AND JUST ENOUGH. Giving people extensive training which they will not be applying in the near future harkens back to our early education. Adults, on the other hand, learn best when they can take what they have learned and apply it fairly and quickly. Thus, most of the training seminars and classes where people are given training, which may not be relevant to their immediate work, may be too much for them to retain and apply at some undetermined future date. It is largely presented in this format for efficiency and the convenience of trainers; not for the convenience of the learner. Thus, both the timing and the content of the training must be responsive to the actual needs of on-the-job workers. Having a strong cadre of internal coaches and trainers enables you to take full advantage of the effectiveness and efficiency of the teachable moment, when it occurs.

4. THE CEO MUST BE INVOLVED. The CEO should be the first participant in all of the training programs so that he/she may fine tune, update or change whatever is appropriate. It is also relevant for the CEO to be involved in the delivery of the training or at least involved in some part of all management training. A few minutes of introduction at the beginning and some time at the end of the training for questions and answers can do wonders in terms of implementation.

5. TEACH TO HEAD, HEART, HANDS. Learning can occur in your head, on the left side of your brain. This is the site of conceptual knowledge. Most management training occurs here. Conceptual kinesthetics is very powerful because it can be applied to a variety of specific situations. This is where the "A" styled manager learns best. Learning can also occur in your head on the right side of the brain. This is the site of intuitive and creative learning. This is where the "E" styled manager learns best.

Learning can occur in your hands or body. This kinesthetic learning is the learning of muscles and nerves and is based on the skills of doing specific things. Some management training occurs here. This is where the "P" styled manager learns best.

Learning can occur in your heart. This is the site of value and belief learning. This type of learning is slowest and most difficult. It is also the longest lasting and most powerful. This is where the "I" styled manager learns best.

CONCLUSION

Whenever you are designing training, review these five suggestions. Shifting one of them dramatically weakens the training.

(Will Phillips is a Senior Consultant with Faust Management Corporation, a San Diego, California-based management consulting firm. Faust Management Corporation training programs are done at your place of business with real teams which interact on a regular basis. For more information on this and other programs contact Faust Management at (619) 536-7970. This article was reprinted with the permission of FMC from their newsletter, *Executive Insight...The Newsletter for Problem Solvers.*)

AAC Success Track[®]
 SERVICE PROGRAMS

MONTHLY BILLING

(BY COUPON BOOK)

TWO BUCKS

Payment Coupon Payments
 Processed for Two Bucks
 ...or LESS!

CALL NOW!

1-800-233-8483

Gary Piper or Jerry Mercer

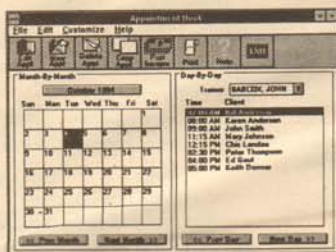
Affiliated Acceptance Corporation
 PROFESSIONAL RECEIVABLES MANAGEMENT

AAC... "We're Here To Work"

TWO EASY WAYS TO MANAGE YOUR FITNESS INSTRUCTORS

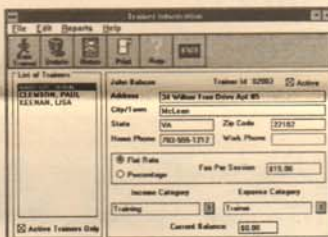
PERSONAL TRAINER BUSINESS MANAGER™ For Windows™

Personal Trainer Business Manager for Windows™ is the first and only software specifically designed for managing personal trainers in a gym or health club. It is an appointment book, client database, trainer database, and accounting package all in one.



- ◆ Automatically update client balances to reflect training sessions
- ◆ Record trainer income and expenses
- ◆ Keep track of client names, addresses, and telephone numbers
- ◆ Record client payments
- ◆ Maintain client training logs, and print progress graphs
- ◆ Record client medical history and fitness assessment

- ◆ Keep track of training sessions
- ◆ Maintain separate schedules for each trainer
- ◆ Print trainer schedules for a day, week, or month
- ◆ Quickly find a training session



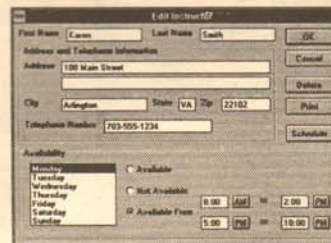
- ◆ Generate invoices and receipts for training sessions
- ◆ Create mailing lists of clients
- ◆ Print monthly, quarterly, and yearly reports of income and expenses generated by each trainer

FITNESS CLASS SCHEDULER™ For Windows™

Fitness Class Scheduler for Windows™ simplifies the task of scheduling fitness classes and keeping track of fitness instructors. With *Fitness Class Scheduler for Windows™*, you will be able to create better class schedules with less time and effort.



- ◆ Schedule and reschedule classes simply by arranging classes on the screen
- ◆ Maintain separate schedules for each room and location
- ◆ Keep track of instructor names, addresses, and telephone numbers
- ◆ Record the days and times each instructor is available
- ◆ Automatically display lists of available instructors
- ◆ Quickly find an available substitute instructor



CREATE BETTER, MORE PROFESSIONAL SCHEDULES IN LESS TIME

- ◆ Print complete class schedules for students and individual schedules for each instructor
- ◆ Easily customize a schedule's appearance to suit your needs
- ◆ Create reports of hours and classes taught by each instructor

Item# 3003 Personal Trainer Business Manager for Windows \$249.95
(Be sure to specify the Club Edition when ordering)

Item# 4004 Fitness Class Scheduler for Windows \$149.95

MANAGE YOUR STAFF BETTER WITH LESS TIME AND EFFORT

EASY TO USE!
Designed for fitness professionals NOT computer professionals!

EASY TO INSTALL!
Installs in less than 5 minutes!

System Requirements: An IBM® compatible machine with a 80386 or higher processor, 4 megabytes of RAM, a hard disk with at least 2 megabytes of available space, a 3 1/2" or 5 1/4" disk drive, a VGA or SuperVGA display, and Microsoft® Windows™ version 3.1 or later.

FAST FREE SHIPPING

Shipping is free and all orders are shipped by First-Class Mail.

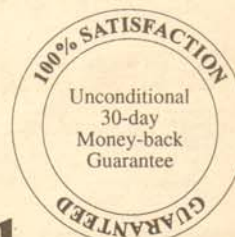
We DO NOT ship free demo copies. We DO offer an unconditional, 30-day, money-back, guarantee. So feel free to order a complete, working copy of the software and try it out for 30 days. We are sure that you will like it. If not, however, simply return the product to us, and we will gladly provide you with a complete refund.

To order, send check or money order to
Willow Creek Publications, P.O. Box 86032-A31, Gaithersburg, MD 20886
Maryland customers add 5% sales tax

FOR FASTEST DELIVERY

CALL 1-800-823-3488 EXT 131

We are available 24 hours a day, 7 days a week. So call anytime.



Club Industry Trade Show Exhibitors

The following is a list of our advertisers who are exhibiting at The CLUB INDUSTRY Trade Show in Chicago, October 18-21st. If you are attending the CLUB INDUSTRY Trade Show please stop by and visit our advertisers. Be sure to tell them thanks for sponsoring The CLUB INSIDER News!

AFFILIATED ACCEPTANCE CORPORATION - #243 - Contract financing, EFT, credit card and "mail-in" payment processing, professional collections, front desk check-in software and in-house do-it-yourself, featuring video photo imaging, scheduling, point of sale, etc. Affiliated Accep-

ta Corporation, call business development: 1-800-233-8483.

BEST LIGHTS, INC. - #776 - 400 watt and 1000 watt indirect Metal Halide fixtures. The BEST Light has the ultimate engineered indirect reflector which produces up to 35% more light than any other lighting systems, without obstructions, using the same light bulb. Easily installs with Chain, Pendant or Unistrut. BEST Lights use fewer fixtures, produces more light and reduces utility costs.

CARDIO THEATER - #743 - CardioTheater enables members to listen to any one of up to 16 different audiovisual components (TVs, radios, tape

decks, CD Players, etc...) while exercising on any piece of cardiovascular equipment simply by using headphones. Our system provides entertainment to as many as 100 users simultaneously. For more information, call 1-800-CARDIO-1.

CLUBRUNNER - #781 - Since 1985 ClubRunner has developed the most powerful management software package in the health club industry. ClubRunner's network ready system includes an integrated front desk check-in, POS with real time inventory, member and guest tracking, "in-house" coupon and statement billing, "Automated EFT" service and an unlimited report generator. Call today! 1-

800-554-CLUB (2582).

CMS, INC. - CLUB MARKETING AND MANAGEMENT SERVICES, INC. - #772 - CMS is an internationally renowned consulting company devoted to helping club operators run profitable clubs. CMS won the IRSA Industry Service Award for its work in this area. CMS Provides in depth operational consulting, along with management training and other resources in the form of training manuals, videos, advertising campaigns, lead boxes and graphics. CMS also offers the industry's only CLUB COLLEGE. For additional information regarding CMS and CMS Club College call: Mike Chaet, President, CMS - (406)449-5559.

HAMMER STRENGTH CORP. - #327 - Hammer Strength manufactures plate loaded strength training equipment that offers superior free weight feel and look with the safety and convenience of a machine. Plate loading allows for greater control over workloads when increasing or decreasing weight.

MICROFIT CORPORATION - #550 - The MicroFit system provides accurate and wellness profiles (including body fat, strength, flexibility, heart rate, blood pressure cardiovascular fitness, group reports, exercise plans and nutritional assessments). The system is completely self-contained and features on-line evaluations using ACSM - accepted standards, 3 D graphic displays and simple menu-driven operation. (800) 822-0405.

STAIRMASTER SPORTS MEDICAL PRODUCTS, L.P. - #1001 - Rediscover the stairclimber that started it all. The legendary Stepmill® 7000PT from Stairmaster® features a new belt system and revised gear ratio that has improved the performance of the Stepmill—especially for larger users. The Stepmill is now also quieter to use, but still delivers the high quality workout and superior results its users have come to expect. For more information on the Stepmill, as well as the complete line of extraordinary Stair Master fitness equipment, call 1-800-635-2936 today.

TRACKMASTER TREADMILLS - #217 - CLUB INDUSTRY SHOW SPECIAL. BUY THE BEST TREADMILL IN THE BUSINESS! BUY 3 TRACKMASTER TREADMILLS AND GET THE 4th ONE FREE! YOU MUST MENTION THE CLUB INSIDER TO QUALIFY. IT IS THE ONLY PLACE THIS OFFER WILL APPEAR. CONTACT CHIP MAYBERRY DIRECTLY AT BOOTH #217 AT THE CLUB INDUSTRY SHOW OR BY TELEPHONE AT (813) 975-1545. OFFER EXPIRES OCTOBER 31, 1995. NOT VALID IN CONJUNCTION WITH ANY OTHER OFFERS OR NEGOTIATED PRICE.

AAC Success Track
SERVICE PROGRAMS

EFT

Electronic Funds Transfer
(CHECKING—SAVINGS)

25¢

(Per Payment Processed)

PLUS

Payment Book and Credit Card Processing

CALL NOW!

1-800-233-8483

Gary Piper or Jerry Mercer

Affiliated Acceptance Corporation
PROFESSIONAL RECEIVABLES MANAGEMENT

AAC... "We're Here To Work"

We Can Collect More Money, From More of Your Members, Than Any Other Company.



We'll collect your members monthly dues, and we'll do it better than any one. But there's much more to ABC Financial Services than collections.

We can provide you with a state-of-the-art front desk check in system, complete with video imaging. We can provide you with an incredible package to monitor your point-of-sale inventory. Add this to the best service you've ever experienced and you'll begin to realize the difference between ABC Financial Services and the competition.

But there's much more we'd like to tell you, and if you'll call us toll-free we will. So go ahead, make the call, it's free.

- Front-desk check-in
- Video Imaging
- Point-of-sale inventory control system
- Membership cards
- EFT
- Monthly payment books

ABC FINANCIAL SERVICES, INC.

P.O. Box 6800 • North Little Rock, AR 72124 • Fax 501-835-0376

Jim Nash Starts Golf T-Time Service

By Norm Cates, Jr.

Scottsdale, Arizona - Jim Nash, a 20-year veteran of the club industry and former Manager of the Harbor Bay Club in Alameda,

California, has left the club industry to establish a new business called: "CALL TODAY PLAY TOMORROW."

The new golf reservation service will provide golfers with Tee Off Time reservations the next day on

15 locations with 190 courses in the Scottsdale area. The area has 9.2 million visitors per year and 27% of them are golfers. Of those 2.1 million potential golfing visitors, 70% stay in hotels while in the area. These numbers prompted Nash, a Board Mem-

ber of California Clubs of Distinction (TCMA) to establish the new business.

Golfers will be able to play such outstanding courses as Camelback, Wigwam, Red Mountain Ranch and Mountain Shadows simply by calling the new 800 number:

1-800-TE-TIMES. (1-800-838-4637). Or, golfers may contact their hotel concierge and arrange T-Times through the new service.

The **CLUB INSIDER** News wishes Jim Nash the best of luck with his new venture.

CLUB INSIDER NEWS PAST EDITIONS AVAILABLE

The **CLUB INSIDER** News has now been in publication for 22 months. During that time, we have published many informative and helpful articles on numerous club industry topics and issues. Along the way, we have kept our readers abreast of the latest industry events.

If you would like to receive our past issues, here is how:

- Single Editions \$10
- Six Editions \$19
- 12 Editions \$36
- All past editions \$69

Send a check for the proper amount and a list of the past issues you would like to receive:

CLUB INSIDER News
P.O. Box 671443
Marietta, Ga. 30067-0025

MAKE IT FUN!

AEROBICS DIRECTOR WANTED

Courthouse Athletic Clubs, Salem-Oregon seeks experienced person to run all aspects of 4-club dance aerobics program. Salary, commissions, benefits - full career position. FAX resumes to: (503) 364-3549 - Dean Wallace, BY 9-25-95.

MANAGEMENT HAPPENS WITH GERRY FAUST...DON'T MISS OUT!

"MANAGING TO PRIME" by Gerry Faust. (Audio tape series with workbook)

This six-tape audio cassette series provides an in-depth discussion of management roles, managerial styles, organizational life cycles, and the process of creating organizational changes. Done with the same style, humor, and enthusiasm of Dr. Faust's speeches on these topics, this series provides the depth that many of the shorter speeches cannot. Accompanied by a detailed workbook with concept notes, provoking questions, exercises and guides that will give you an even greater insight into your people, your business and yourself.

"MAKING MANAGEMENT HAPPEN" by Gerry Faust. (Video cassette tape with workbook)

Organizations go through predictable patterns of growth and development. As they grow, the culture of the organization changes and the organization faces new and different challenges. In this video cassette tape presentation, Dr. Faust discusses the four critical roles that management has to develop and keep in balance to ensure steady life cycle progress, and how to take charge of your organization's drive to PRIME.

"EXECUTIVE INSIGHT® NEWSLETTER" YES! I want to receive a FREE one-year subscription to this new quarterly publication. ☐

PLEASE MAIL, PHONE OR FAX YOUR ORDER:

FAUST MANAGEMENT CORPORATION
10085 CARROLL CANYON ROAD, SUITE 210
SAN DIEGO, CA 92131
(619) 536-7970 • (619) 536-7976 (FAX)

YES! PLEASE RUSH ME THE FOLLOWING:

"MANAGING TO PRIME" \$89.95
"MAKING MANAGEMENT HAPPEN!" \$79.95
(Please indicate number of sets ordered. CA residents please add sales tax.)

Name

Company

Street Address

City/State/Zip

Daytime Phone

☐ Check. Amount.

☐ ☐ ☐

Card Number

Exp. date

Signature

Shipping & Handling
charges:
Add \$5.00 per set

SALES MAKERS

Tip Of The Month

The control desk has the most important responsibility within the entire club. It has CONTROL. The team at the desk knows exactly what is going on within the facility. It has information on who is available as well as who is in the club. It sets the mood of the members and guests entering the club. The control desk team deals with the entire membership daily. It is useless without the PEOPLE who make up that team. They are the greeters, mood setters and controllers. The control desk team is more closely involved with every area of the club than any other department.

In the Sales Makers system the membership department has a system of controls that are designed to assist the control desk and management. More than any department, the membership department relies on the control desk. Who is available for a telephone inquiry? Are there two membership advisors, because I have three guests who would like tours?

Every time a guest enters the club the control desk team gets to make the first impression. They are setting the stage for that person during his visit to the club. Most people are slightly intimidated when entering an unfamiliar place. It is very important to make them feel welcome. Remember, just as we would greet guests and make them feel welcome in our homes, we are the hosts of the club and we must strive to make our members and guests feel welcome in our "home".



You don't have to know a person's name
TO GREET THEM WITH A SMILE.

What Are You Doing For The Next 3 Months?

\$249 per quarter

Your club may need the creative advantage of our new **Quarterly Ad Subscription Program**. Every 3 months you receive 6 camera-ready ad slicks with 6 matching direct mail slicks. All seasonally appropriate, timely, and easily altered to your specific promotion. Ready for your logo. All materials deliver the hard hitting headlines, unique photography/illustration and professional body copy. Better response and a competitive advertising edge is yours with the CreativeClub.

For just \$249. per quarter you'll receive:

- 6 (SAU-sized) print ad slicks.
- 6 (5"x7") two-sided direct mail slicks.
- Concept & Production instruction guides.

Order by MasterCard, Visa or Check. Call Dianne Miller at (508) 655-9757.

CreativeClub > 233 W. Central Street, Natick, MA 01760 A division of ReevesDrake, Inc.

CreativeClub
club advertising programs



Sales Makers

"The measure of success is not whether you have a tough problem to deal with, but whether it's the same problem you had last year."

How much does it cost your club to not perform at it's full potential?

MEMBERSHIP SPECIALISTS

Last year our clients averaged an increase of 27%

DID YOU?

Sales Makers
(800) 428-3334

Tennis Club Finds A Winning Proposition

By Norm Cates, Jr.

Will Cleveland is a veteran club tennis pro and general manager who for the past 7 years has taught tennis and managed the Wildwood Racquet Club in Fort Wayne, Indiana. He is a USPTA Master Pro who manages 6 other full-time pros while at the same time teaching 20-25 hours per week.

As the General Manager of the Wildwood Club, he is also responsible for other important matters such as profit and loss on the club's operating statement. Will has obviously done an excellent job because the club has been selected as the United States Tennis Association Organization of the Year for the Western Section. When Will stepped in to manage the club, there were approximately 550 club mem-

bers. Now, there are 1,400! His teaching department generates over \$300,000 per year and the club's total revenue is in excess of \$1 million annually.

Eleven years ago, Will's club owners Bill Dailey, Annie Eckrich, Muriel Hyland and Orvas Beers contracted with Gary Yurich, the owner of Commercial Building & Retrofit, Inc. to insulate the ceilings over 8 of their 12 indoor tennis courts. With this new reflective insulation system they brightened up the club and have saved thousands of dollars on their utility costs.

This past spring Will contacted Gary about insulating the ceiling over the last 4 courts and installing the new BEST Light System on all 12 courts, which he

manufactures and sells. Yurich promised to eliminate 48,000 watts of lighting and double the light levels. In addition they would finally be able to cool the back 4 courts with their air conditioners. (See Gary's ad on back cover).

Will Cleveland has nothing but praise for Gary's companies - Commercial Building and Retrofit, Inc. and BEST Lights, Inc. "We're amazed at the potential. We went forward with the contract and have obtained outstanding results. We actually have DOUBLED our light levels from

50-55 foot candles to 100-110 foot candles while reducing our total wattage for lighting by 48,000 watts. By eliminating 48 1000-watt light fixtures, we expect to save 33% on our electric bill which converts to a savings of \$2,000 per month! Gary's employees did an outstanding job with the switch over..... in and out..... a nice clean job done on time. Gary Yurich is an honest - straight shooter. We spent just under \$100,000 for the entire job and we expect to recover the investment in 3 1/2 years! We are really pleased with this work. He

promised a good job and he delivered. My owners were concerned with payback and I was very concerned about member satisfaction. The members just love the new court lighting system and are really happy we did it. Of-course, that satisfaction will convert into greater member retention and revenues."

The BEST Lights Company can help your club improve its lighting while at the same time save you money over the long haul. To reach Gary at BEST Lights, call (800) 545-2928 and be sure to tell him "Norm said Hi!"

MOTIVATE YOUR MEMBERS

with

CLUB FM

Broadcast Any TV Channel In FM Stereo

By simply tuning an ordinary "FM Walkman" to the designated radio channels you broadcast, members can exercise to MTV, VH-1, News, Soap Operas, or any VCR. Workouts become more enjoyable.



- Works With Any TV Or VCR Audio Output
- Easy To Install
- Inexpensive
- Use With Any "Walkman" Type FM Receiver and Headphones
- Excellent Sound Quality

- Better Utilize Your Existing TV System
- Promote Club Functions
- Increase Club Profits:
 - Walkman Rentals
 - 30 Day Money Back Guarantee
 - 1 Year Warranty
 - FCC Approved

Join the increasing number of Health Clubs presently using our FM Broadcast System. . .and give your members a choice.

CALL (908) 638-5134

Or Write:

A.P. Acoustics, Inc.

65 Main Street

High Bridge, NJ 08829

PROFESSIONAL RACQUETBALL GLASS

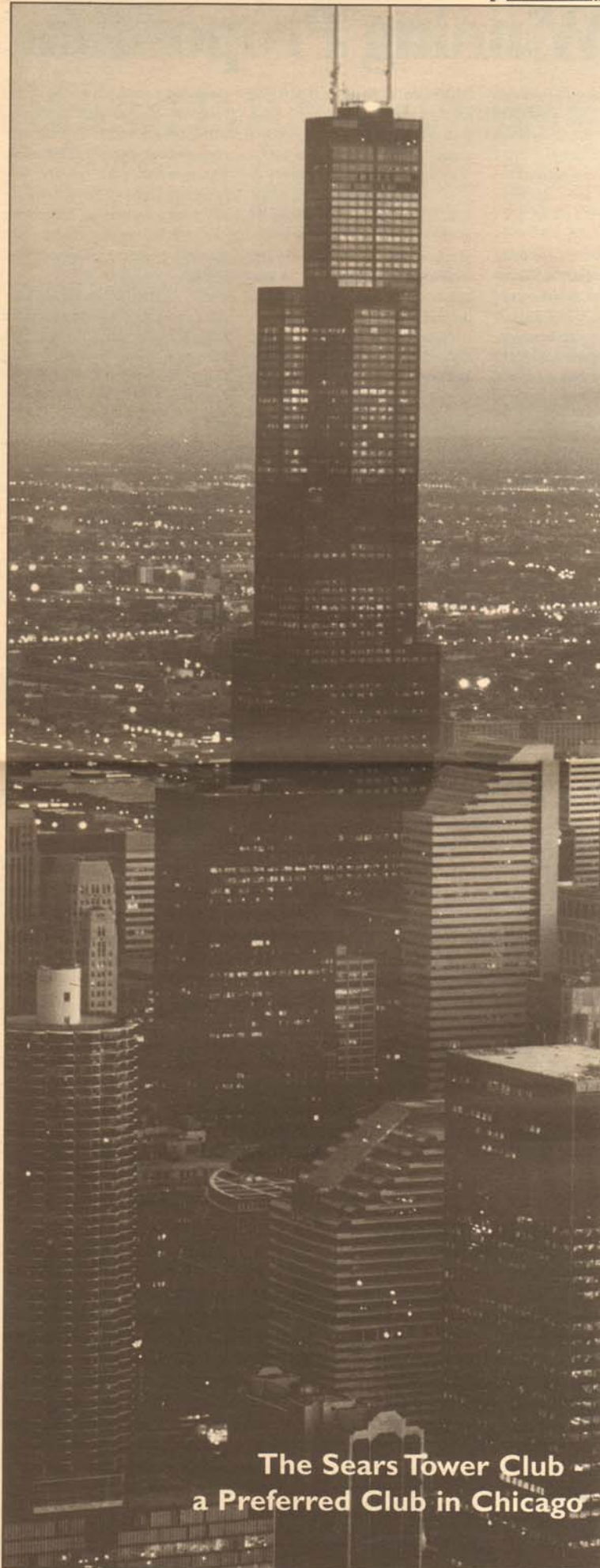
All glass, all doors and wings. A total of four court back walls. Used. In good condition. (914) 428-4120 Ask for Bill (914) 937- 8775.

Seeks Contributing Writers

Contact:
Norm Cates, Jr.

1-(800)
700-2120

Norm Cates, Jr.
THE Club Insider
NEWS



**What if you were
able to open 100
locations overnight ...**

**...locations that meet
or exceed the quality
of your own club?**

*Do you suppose your increased clout would
make it easier to attract new members?*

*Do you suppose your existing membership would
enjoy the added convenience of multiple locations?*

Sound like wishful thinking?

We have the solution!

**Call today:
1/800-698-8887**

**Dominate your marketplace
with exclusive rights in your area.**

**The Sears Tower Club
a Preferred Club in Chicago**

PC
preferred clubs

A world of convenience.

A FREE ONE-DAY SEMINAR

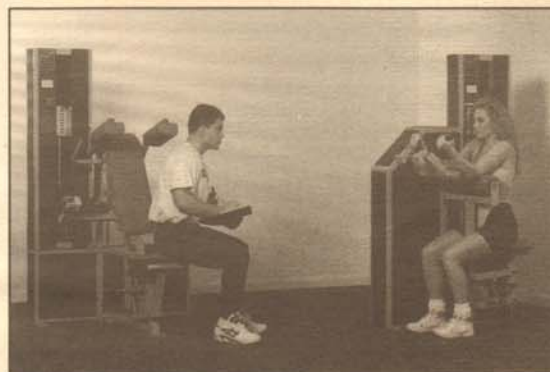
Fitness - Wellness - Exercise



Understanding the Challenge of Orthopaedic Spinal Rehabilitation

Hosted by the University of
Florida through the
College of Medicine

You are invited to attend a free one-day seminar sponsored by the MedX Corporation. These seminars are held in Gainesville, Florida. The university has been involved in extensive research in the quest to understand the rehabilitation process. With the advent of the MedX Low-back and Neck machines many complex questions have been answered. You will be introduced to MedX concepts and training protocols as well as research and clinical case studies in Rehabilitation and Exercise.



Plan now to attend

CME credit approved



For more information call 800/582-9771

For a Clear Shot at **MAXIMUM LIGHTING** *No One Even Comes Close!*

Brilliant Energy Saving Technology

400 & 1000 Watt Indirect Fixtures

- ▶ Gyms
- ▶ Indoor Tennis
- ▶ Air Structures

Adaptable to all systems!



Brilliant Energy Saving Technology™

1-800-KIL-A-WAT

1-800-545-2928 • Fax: 810-589-0134



Pendent

*I'm very pleased with my great light levels.
I have 100 foot candles with only 24 fixtures,
in an area of 120' x 160'.*

*Seymour Brode, President
Franklin Fitness & Racquet Club
Southfield, Michigan*



Air Structure



Unistrut



For Insulated Ceilings . . . Call Our Other Company

**COMMERCIAL
BUILDING &
RETROFIT, INC.**

1-800-423-0453