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Norm Cates' CLUB INSIDER™

The "Pulse" of the Health, Racquet, and Sports Club Industry Worldwide

Established 1993

MAY 2008



(Front Row L to R): Tara Tims, Nicole Canseco, Cynthia Longbrake and Amanda Tamble
(Back Row L to R): Mac Heiden, Hector Garcia, Josh Tims, John Doyle, Lorinda Drake-Crow, Jeff Cozart, Gloria Isenhour, Patty Smith and Rosemary Ryan

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Created by
John and Jan Doyle



And Embraced By The Belmont Shore Community

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Belmont Athletic Club...

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By: Norm Cates, Jr.

I believe John and Jan Doyle, my friends of 30 years in our industry, are two of the nicest people in the entire health, racquet and sports club industry. John and I served the industry on both the National Court Club Association (for racquetball club owners) and the IHRSA Board of Directors (IRSA was the acronym until 1994). So, I can truly say I don't know anyone quite like John Doyle... so soft spoken... so kind... so gentle with his manner... just plain nice... to the core. John and his lovely wife, Jan, created, have owned and operated the Belmont Athletic Club in Belmont Shore, California, for 28 years. This is their story.

For 38 of their wonderful

44 years of marriage, John and Jan worked together in small businesses they've created. The first was their company called TMR Products... a truck parts manufacturing business. Then came their Circle Club, on the infamous Long Beach traffic circle, and then came what is now called the Belmont Athletic Club (BAC), built in a former movie theater in the seashore community of Belmont Shore in Long Beach, California.

This is truly a story of *love on many fronts*. The first is the *love* between John and Jan, who met in college and wed upon graduation. The *love* John and Jan Doyle have for the club industry. The *love* John and Jan have for the Belmont Shore community. The *love* John and Jan give, and receive back, from their staff

in their club, particularly the amazing, long-term staff at BAC. John, Jan and the current BAC staff have a combined 214 years of club industry experience. The benefactors of this experience are the BAC members and the Belmont Shore Community, many of whom have been members for 20+ years.

John and Jan Doyle's story is a wonderful story of *relationship building through honesty*, which resulted in the *trust* of the Belmont Shore community.

The BAC began 28 years ago as a 9-court racquetball club, but this was not the beginning of the Doyle's club career. The beginning was their "Circle Racquetball Courts" club, a 12-court racquetball facility built on one of, if not the busiest, traffic

circles in the community. After a few years of operation, the Doyle's leased the Circle Club to Chin Yi. Chin Yi has quietly led LA Fitness for 24+ years now and is also a long-time CLUB INSIDER subscriber. As you will read in the following interview with John Doyle, Chin Yi is truly a man of his word who possesses amazing business acumen. The deal between the Doyle's and Yi resulted in the Doyle's becoming Yi's landlord in his second LA Fitness Club. For the unwashed in our industry, Chin Yi has since grown LA Fitness to over 200 locations and a "market value" of \$3 billion, as recently quoted from an emerging industry icon who is actively involved in the club financial markets. This market value more than doubles the \$1.4 billion Forstmann Little &



John and Jan Doyle

Company, a New York investment banking firm, paid for 24 Hour Fitness four years ago. On the grapevine now is a rumor that LA Fitness is in play for acquisition (See *The Belmont Page 14*)

Don't Miss "Insider Speaks" - Page #6

Senator John McCain Suggests that Americans Join Health Clubs!

(Courtesy Akron Beacon Journal and Cleveland Plain Dealer via IHRSA)

During a visit on May 1st, to the Cleveland Clinic, presumptive Republican presidential nominee, Senator John McCain (Arizona), discussed his health care proposal, the *Akron Beacon Journal* reports. The proposal would replace a tax exemption for employees who receive health insurance from employers with a

refundable tax credit of \$2,500 for individuals and \$5,000 for families for the purchase of private coverage, which McCain maintains would promote competition among health insurers, reduce costs and improve quality.

"The key to real reform is to restore control over our health care system to the patients

themselves," McCain said, adding, "The health plan you choose would be as good as any that an employer could choose for you. It would be yours and your family's health care plan, and yours to keep." McCain also said, "It is not the quality of health care in America that's the problem, it is the cost of health care in America

that's the problem." He added, "When families are informed about medical choices, they are more capable of making their own decisions, less likely to choose the most expensive and often unnecessary options and are more satisfied with their choices."

McCain also cited the need to focus on preventive care

to help reduce health care costs. He said, "We need to encourage simple things, like membership in a health club." McCain also praised the Cleveland Clinic for adopting electronic health records, which can reduce medical errors, improve quality of care and lead to a reduction in medical malpractice insurance premiums.

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Norm's NOTES

• **Hello everybody!** This is your **CLUB INSIDER Publisher Since 1993** checking in! Read on and get a different perspective on many industry happenings and issues that no other publication will address!

• Let's start with **IHRSA**, and the last Note of Norm's NOTES in our April edition. In that Note, I shared the fact that there are a number of IHRSA Associate Members who have issues with IHRSA about how their companies are being treated by the 28-year old Association. I described this situation as a "Bit of trouble at IHRSA." But Now, I will tell all that are interested in IHRSA's Associate side that this situation represents more than a "Bit of trouble at IHRSA." The number of complaints I've heard from IHRSA Associate Members increased after my April Norm's NOTES writing, and I am stacking them up as they come in. This is not news if you are one of those aggrieved Associate Members with IHRSA issues. And, if you are an IHRSA Associate Member that has a grievance with IHRSA, you have expressed it to them, and you are being ignored, then I do want to hear from you. Email me at: Norm@clubinsideronline.com. On April 18, 2008, **IHRSA CEO/President, JOE MOORE**, received an email package of documents from me. Contained in that package was a letter from me to Joe and the IHRSA Board of Directors sharing my thoughts about these issues. Six letters to me from the *bothered Associate Members* also accompanied my

letter. I had initially been told by Joe that he had contacted the **IHRSA Standards Committee Chairman, MIKE MOTTA** and the Committee would deal with the complaints. Mike Motta leaves the IHRSA Board after the June Board Meeting, so at a later date, Joe informed me that the entire Board of Directors would receive the information and the full Board would discuss the issues at their June meeting. It is my opinion that while the full Board should hear the matters, there are several members of the Board who should recuse themselves from any vote on a certain matter on the list because of a conflict of interest related to a certain Associate Member they all support, do business with and make money from. There are some good people on the IHRSA Board, and I believe they will deal with these issues fairly and in a manner that will improve IHRSA for the good of all. At this time the situation has not gone away, but I will close this Note with this. I think it is high time that IHRSA's Board establish an **IHRSA Associate Member Advisory Council** to provide the Board with input from the perspective of all of the IHRSA Associate Members. IHRSA's By-Laws do not provide for Board representation, per se, and I think that By-Law should stand and not be changed because the virtual existence of IHRSA is to serve the IHRSA Member Club Owners. They are the customers of the IHRSA Associate Membership, and were it not for the IHRSA Member Club Owners, IHRSA would not

exist, and the Associate's would not have any IHRSA customers. The time has come, however, for the IHRSA Associate Members to have their say in a formal manner and an IHRSA Associate Member Advisory Council would serve that purpose well. I welcome your opinion; **Norm@clubinsideronline.com**. **Stay Tuned!**

• **"Why Don't They Believe Us?"** is the title of an editorial piece written by **JOHN CRAIG**, the *Editor of Fitness Business News*, and published in their April, 2008 edition. In my **"Insider Speaks"** column on Page #6 entitled **"Lifestyle Change Teaching Skills Necessary for Club Success... You Must Teach Them How To Show Up!"**, I have shared a different point of view. I would welcome, and will share your point of view, should you choose to express it to me. **Norm@clubinsideronline.com**

• **"Spark... The Revolutionary New Science of Exercise and The Brain"**, a book by **JOHN R. RATEY, M.D.** with **ERIC HAGERMAN**, is currently being employed by **24 Hour Fitness CEO, CARL LIEBERT**, to teach his 24 Hour Fitness Team how important, unheard of until recently, benefits of regular exercise are to their people. On the page after the book dedication to **DR. KENNETH COOPER, CARL COTMAN and PHIL LAWYER**, Dr. Ratey quotes **PLATO**: *"In order for man to succeed in life, God provided him with two means, education and*

physical activity. Not separately, one for the soul and the other for the body, but for the two together. With these two means, man can attain perfection." Dr. Batey is a Clinical Associate Professor of Psychiatry at **Harvard Medical School**. My **"Insider Speaks"** column this month entitled: **"Lifestyle Change Teaching Skills Necessary for Club Success... You Must Teach Them How To Show Up!"** is about this exact subject... the mind and the body. But specifically, it is about the mind driving the body to do the work, the reverse of the message in "Spark", which sets forth information about how exercise provides the body with many benefits not known until recently, such as:

1. Aerobic exercise was shown to be as effective as antidepressants.

2. Women who exercise lower their chances of developing dementia by 50%.

3. A revolutionary fitness program helped put one U.S. school district of 19,000 kids first in the world in science.

The book puts forth the statement that, "The evidence is incontrovertible: aerobic exercise physically transforms our brains for peak performance." Carl Liebert has been on board as CEO at 24 Hour Fitness for a little over a year, but he sure appears to be on the right track. Now, 24 Hour Fitness has launched a new website: **12millionlives.com**, and after viewing it, I think they are stepping up to a marketing position that will help them immensely... away from the "hard-body" image and moving to "regular people" as their target. This has been one of the biggest things that held **Bally Total Fitness** back during the past 20 years, and I think... **CARL LIEBERT, 24 Hour Fitness CEO**, is on track to make a big difference.

• **GymTicket.com** continues to grow and now is in over 4,000 clubs who are utilizing this leading edge new membership prospect generating system. Check out the GymTicket ad on Page #17.

• **Credit card disaster in the Northeast**. A large Northeastern grocery store chain has had data from 4 million credit card holders stolen, bringing about the



Norm Cates

cancellation of many credit card accounts. Indirectly, this fiasco is badly impacting club owners who have some of those same credit cards on file for monthly dues processing. One operator described the debacle for clubs as, "Having to go back and resign all of those members!"

• **"A Hundred Year Perspective on the Health/Fitness Club Industry"** is the title of a feature article I am preparing for our June edition next month. In this piece, I will review some of the history of our industry and will forecast what I believe we could see in the future. In particular, I want to note today an email copied to me by **CHRIS RONDEAU**, a partner in **Planet Fitness**, when on April 7th, he wrote to **CBI Magazine** and also copied **CLUB INSIDER**, suggesting that we publish his memo which follows:

"Trade organization responsibility: **Got Milk?®, GoVing.com®, Pork.. The other white meat@...** this list can go on... How about Florida Orange juice? Is it better than orange juice grown in Georgia? I don't know, but you would think so from what we have seen on TV forever. Every week, we get blast emails from IHRSA.org explaining why exercise is good for you. The funny thing is, you're telling your industry something they already know, but still push "60 million U.S. members by 2010". What you should be doing is telling the 300 million Americans the stuff you are wasting your time telling all of us health club owners and operators. We know this stuff... that is why we are in the business.

(See Norm's NOTES Page 8)

Thank You

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The "INSIDER SPEAKS"

Lifestyle Change Teaching Skills Necessary for Club Success...

You Must Learn How To Teach Them To Show Up!

By: Norm Cates, Jr.

"Why don't they believe us?" is the title of an editorial piece written by my new friend and Editor of *Fitness Business News*, JOHN CRAIG, in their April, 2008 edition. Check out: www.fitnessbusinessnews.com -April, 2008 edition, Page #6 and #23.

Craig, in a piece in which he expresses his opinion of the results of the FBN April survey on Page #23, compiled from 137 respondents argues, "People, for the most part, really don't want to be bothered by the idea of going to your gym and busting their hump on your machines."

Then, John closes his piece with, "But, the club attendance numbers suggest there's more than a grain of truth to the idea that sometimes, no matter how noble the cause, no matter how many times you articulate the argument, the message just doesn't get through."

To John, and all of my other readers, I offer a respectful, but different point of view here.

With respect to people who "don't want to be bothered

by the idea of going to your gym and busting their hump on your machines", I think an important point should be shared here.

Reflecting back on my January, 2006 "Insider Speaks" column, I recall that this is precisely why I urged this entire industry to focus on earning profits during 2006... but earning profits generated because clubs have come to realize that profit does not come from machines. The fact is... Machines are just like walls in clubs... Everybody has walls, and virtually everybody has machines. Though most clubs have machines, not every club is profitable. The point is, members regularly using the machines in your clubs make your club profitable. If your club culture is not one that induces regular member attendance and usage, you could have 500 machines, but no profit.

I repeat. Profit is generated by getting members to use your machines on a regular basis.

John Craig's comment misses a point that I will try to

make here.

The difference is... *What's in the MINDS of your staff and HOW your staff converts what is in their minds to communication, action and behavior that attracts, bonds, teaches and motivates new and current members of your club is the KEY to profits in your club. Period.*

Never, ever forget that attracting, bonding, teaching and motivating members are the keys to success for this whole industry. Not machines.

Truly proficient education of the member's mind is the missing ingredient in this entire industry worldwide. Learning yourself and teaching your staff how to train the minds of members first... is a tall order, in and of, itself.

Then, IF and WHEN you and your staff have learned how, educating your members' minds is the next step.

Any machine, no matter how great it is, will not provide results for a member if the member does not show up to use it. Therefore, any machine, no matter how great it is, will not make your club profitable unless they show up and use it.

In the past, I have written about the "FAT Friendly Health Club". The FAT Friendly Health Club is a concept that, if developed and adopted in a health club environment, will remove the reason for John Craig's partially quoted herein, and perhaps, your own laments.

The FAT Friendly Health Club will be, and already IS in some places, a place where the new member's mind is educated, cultivated, carefully trained and motivated to "drink the Kool-Aid" of regular exercise... *The most necessary ingredient needed for a successful lifestyle change that will lead to regular club attendance.*

I know because, beginning on November 26, 2000, I made a successful lifestyle change and have stuck with that change ever since.

I believe that, because I have lived it, I understand lifestyle change as well as any

of you great club pros out there.

From living it, I know and fully comprehend how important the mind is to the challenge of rising up on your feet, getting in your car and traveling to and using one's favorite place to exercise on a regular basis. I know because I personally "made the break" out of an automobile accident induced sedentary lifestyle, a sad lifestyle, that caused me to gain over 80 pounds. I made my break to adopt a totally new lifestyle, lose 110 pounds and 20 inches off my waist. I know because I have walked over 7,000 miles to get there. I know because I have defeated the lazy side of my mind in hand-to-hand, day-to-day combat. I know how hard it is to do it, and I know how hard it is to teach it. But, you MUST persist. You must NEVER give up. You must learn how to teach your members to "Make the break."

"Making the break" to a new lifestyle of regular daily exercise, a true sea of change in my lifestyle, was one of three changes I made in my lifestyle totally altering both my mentality and physical activity level to head in the opposite direction. Changing to a lifestyle of daily activity and movement is just one of three pillars I used to achieve my goals. The other two were dramatic changes in my nutritional habits and the elimination, in my case, of the 'demon' alcohol... in my opinion, the single greatest source of excess and useless calories on earth.

Adopting such a dramatic, 180-degree different lifestyle takes all the disciplines akin to commitment and dedication that you could ever find in a Thesaurus.

Teaching such a 180-degree lifestyle reversal is an extremely difficult task... a task very few in the health/fitness club industry have yet to master. The reason many of you have not mastered it is you have never had to do it. I have, and I would not recommend that you gain 100 pounds so you have to learn it the hard way the way I did!

I changed my mind from a mindset of "Man, I want to go

and exercise, BUT I've got to get this month's CLUB INSIDER deadline off my shoulders or I might miss that infernal deadline if I get up from this computer and go exercise", to a totally new mindset.

My totally new mindset, as amply set forth in my book, "Leaving FAT City" became, "O.K. big boy. IF you don't get your big butt up and go exercise, you are not going to perform well on this keyboard, you are going to have a whole lot less energy, you are going to let yourself, your family and your readers down and you are going to keep this extra weight for the rest of your life... until they put you in an oversized coffin, designed and built especially for people who could not 'make the break'. So, get the hell up and go do it! You have NO EXCUSE... just go do it!"

I made taking my daily 3.2-mile hike a part of my CLUB INSIDER job description. I determined in my mind that my daily exercise was the MOST IMPORTANT THING I could possibly do that day or any day of my life. I adopted this mindset because I learned that the lack of making regular exercise The #1 PRIORITY IN MY MIND was the key to failing in the short and the long haul. I realized that I could not reach long-term success without daily short-term success... one day of exercise/calories at a time.

Get this and get it well... the future of the health/fitness club industry depends on club owners employing people who are adept and gifted at TEACHING the MINDS of the Members what their mindsets must become if they want to succeed.

The good news is we have the mass media all over Mother Earth helping us. The result now is that statistics show that 93% of the U.S. population now know and acknowledge that regular physical activity is a very important ingredient for a truly healthy lifestyle... yes... 93%.

(See *Insider Speaks* Page 12

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Fighting the Fears of Sales People

By: Jeffrey Masten

As sales people, we are constantly forced with the pressure to negotiate price. This is especially true for those of you who sell at the higher end of our industry.

Sales people have two major fears: **1. is rejection and 2. is price.** I have found that most salespeople are hesitant when it comes to talking price. The reason is, in their own minds, they think their prices are too high. In your next sales meeting and personal training meeting ask the following question... If you did not work here, would you be in a position to afford a membership or our services? You will be surprised by the response. If they have this mindset, I have found that is when the prospect gives them a price objection... It costs too much... This response resonates with the salesperson and internally, they agree. What has happened here is that a sale has been made... the prospect just sold our staff on the idea that our price is too high!

There are many schools

of thoughts about dealing with this common sales objection. The general consensus is to steer the prospect away from the conversation of price and towards a discussion of value.

When it comes to price, we have to create a mindset, and that mindset has to be one of a value mindset vs. a price mindset. When it comes to price, the first thing you have to have as a professional salesperson is a deep rooted belief that the *value of what you are offering far exceeds the price that you are offering it at.* Does your staff see and believe in the value of their product? The product being your facility and services, mission statement or beliefs statement, and the belief in the benefits of exercise?

When people ask me what I do for a living, I tell them I sell the number one prescriptive and non-prescriptive drug in America. They usually ask me then who do I work for? Merck? Pfizer? I say no, I sell fitness! (That usually creates a good discussion.) I truly believe in our product and have seen first hand

the positive changes it has made in people's lives over the years. Does your staff feel the same way? If the staff doesn't believe in the value of their product, they will never achieve sales success because the prospect will sense, by their language and demeanor, that their belief system is not deep enough.

Some signs that your staff doesn't believe deep enough in the value of your product are:
1. They try to justify your price.
2. They apologize for your price.
3. They try to rationalize your price.

The worst thing of all is when I sit down with the sales person and ask why the prospect didn't join and their response is... "They said our price was too high!" I have trained my staff to no longer call it a price objection, but to call it a value objection. This reinforces the mindset that I am trying to instill in the salesperson. That being, we are not selling price, we are selling value. I have found that if the prospect doesn't perceive the value of our club and doesn't see the points of difference between

us and our competitors, then all they have left to base the buying decision on is price.

Do you use testimonials in your sales process? Guess who is better at justifying your price than your own staff? Your satisfied member... Think about it. A testimonial is a raving fan of your facility, staff, and services; they have seen the value (results) and are in a position to express it. Also, testimonials should reinforce to all of us that what we are doing is good and our product is of great value.

Our industry sales model has been one of spending 20% of the time showing the club and building value and 80% of the time sitting at the desk and trying to sell the club. This is the reverse of how it should be. The sale should be made on the tour. This is where the price of our facility and services must be justified and affirmed, not at the end. Then, during the presentation, with the value clear and the differentiation of your club obvious, the price will be accepted and will not become an objection.



Jeffrey Masten

The key to mastering price is the combination of a strong belief system that the product is good and the value verified by your members. The combination of these two will breed confidence in your team and will strengthen the manner in which your team tours, presents and asks for the sale, based on the obvious superiority of your club's value versus others.

(Jeff Masten is a key man on the Sales Makers Team and may be reached at: (800) 428.3334 or email: Jeff@sales-makers.com)

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www.sales-makers.com
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...Norm's NOTES

continued from page 4

Spend your time and our dues money on telling the general public to join your local IHRSA club.

The emails IHRSA sends out that should be directed to the public not us:

- Exercise makes you sleep better... maybe tell the public they don't need Ambien®

- Exercise reduces stress... maybe you don't need Zanax®

- Exercise gives you energy... so you don't need Red Bull® to get out of your own way and you can go on and on.

And the 60 million U.S. members thing... IHRSA preaches that, BUT it's like a General sending his troops to war without weapons or a football coach telling his players that he wants to win every game without a play book. Forget the articles on the next big group x craze or how to increase retention with the very small population which has actually joined a health club. Why not try to educate and excite the 85% +/- that have never, ever been to a health club? So I ask: "Where is our "Get Healthy America?" message?"

I'd be happy if you would publish this constructive criticism.

-Chris Rondeau
Planet Fitness

I mention this in my Norm's Notes now because in June, in the "Hundred Year" article, I am going to make some suggestions following up on the

suggestions I made years ago to the entire industry about pursuing an industry-wide, nationwide PR movement where we highlight, like Chris suggests, something like a "GOT Milk?" campaign.

Great thinking and thanks for the reminder, Chris, and *Stay Tuned!*

•**The 20th Annual IHRSA Institute** will take place August 11-15, 2008 at **Babson College** near Boston and will feature a super faculty of: **FRANK AYCOX, SUZANNE BERTHAY, PAUL BROWN, RICK CARO, JAROD COGSWELL, MIKE CONNORS, CASEY CONRAD, BRENT DARDEN, ROGER DOW, NESTOR FERNANDEZ, HERB LIPSMAN, JULIE MAIN and BILL McBRIDE**. So, if you wish to truly advance your knowledge and expertise in our industry contact IHRSA by visiting: www.ihrsa.org/institute or call: (800) 228 - 4772.



•Big **BILL KAZMAIER** (Shown Above), at one time multi-year *World's Strongest Man* and long-time industry giant,

will be honored by **WALLY and MESCHELL BOYKO's National Fitness Trade Journal Magazine** with its **Lifetime Achievement Award** in Las Vegas at their **27th Annual National Fitness Trade Show**. The event, held in conjunction with **IHRSA Club Business Entrepreneur Conference** and the **American Council On Exercise (ACE)** gives independent club owner/operators a terrific learning experience. The educational experience gets better every year, and Wally and Meschelle's *Ms. Fitness USA and Ms. Fitness World* events will be held as usual, always wonderful events. For information, go to: www.ihrsa.org and www.nationalfitnessradeshow.com.

•**DONNA KRECH's Thin and Healthy Total Solution** (See Ad on Page #19) received more notable nationwide exposure when the story of one of Donna's clients in Lima, Ohio, **ADAH ELLERBROCK**, was featured in the May, 2008 edition of **Women's World Magazine**. The following comments came directly from an email to me from Donna: "**Woman's World Magazine**" will feature what **Oprah's Oxygen Network Producers** coined as the "best kept secret in weight loss. The secret lies inside the walls of the 200 Thin & Healthy's Total Solution distribution centers across the globe. Thin & Healthy's Total Solution is a weight loss company determined to motivate the population to never struggle with weight again. **The proof is in the numbers.** Woman's World editors sought to find out if the "best kept secret in weight loss" really existed. What they found is that millions of people have lost millions of pounds with Thin & Healthy's Total Solution. Then, they went a step further and tracked down a Thin & Healthy's Total Solution member who lost 54 pounds in 5 months, Adah Ellerbrock. After extensive interviews with Ellerbrock, Woman's World editors saw how powerful motivation can be for someone like Adah. 'I got my focus and the pounds melted away', says Ellerbrock. Now, Woman's World is featuring Adah and her secret in the May 5th issue. Woman's World is a popular supermarket weekly with 1.6 million U.S. circulation."

•In my "Insider Speaks" writing this month, that begins on Page #6, I refer to the club operators

out there who have mastered "teaching the minds" of their members to show up and get results. I comment on those who already operate what I call: "**FAT Friendly Health Clubs**". Well, Donna Krech, along with **CASEY CONRAD of Healthy Inspirations** and **Take It Off Weight Loss Programs**, and **RUTH STRICKER's "The Marsh"**, in Minnesota, are three who are way-way ahead of the class.

•Congratulations to **TONY DAHMEN** as his **Cornerstone Fitness** group of five clubs in South Texas are celebrating their **10th Anniversary**.

•**JEFFREY KELLER**, the **Founder of the Independent Health Club Networking Association**, has joined the **CLUB INSIDER Contributing Author Team**. Check out Jeff's first article contribution entitled: "**Who Has the Advantage?**" - Part I, in a series of three, on **Building Value in Independent Clubs**, on page 26. You may have considered contacting us about joining the prestigious **CLUB INSIDER Contributing Author Team** (See Directory on Norm's Notes, Page #4), and if you have thought about it, but not acted, now would be a great time to get in touch with us. That is because we have greatly improved our benefits package for Contributing Authors. It now not only includes exposure in our printed edition, but gives you great exposure on our new website: www.clubinsideronline.com. If you contact us, I will provide you with a new letter outlining all of the benefits now provided to **CLUB INSIDER Contributing Authors**. Please contact me at your earliest convenience: Norm@clubinsideronline.com.

•Health clubs across America opened their doors for free to the public in May for **IHRSA's 5th Annual Get Active America**. This annual event helps more and more Americans revitalize their lives and benefit from the supportive environment and professional knowledge that health clubs offer. Participating IHRSA health clubs were out in their local communities bringing information and inspiration to tens of thousands, helping them see how active, healthy living can bring better health and a happier frame of mind. **Michael Foods' AllWhites®** provided free recipe booklets and coupons for

participating clubs to distribute to their members and guests.

•New **CLUB INSIDER** advertiser, **Symmetrical Fitness**, has been launched by industry and fitness veteran, **DR. JACK SCAMMAHORN** and his brother, **JIM**. Part 1 of a three-part article series, authored by Dr. Jack and explaining the evolution of Symmetrical Fitness, appears on Page #28 along with their new ad. You may reach **DR. SCAMMAHORN** at: Jack@symmetricalfitness.com and brother, **JIM SCAMMAHORN**, at: Jim@symmetricalfitness.com.

•**GEOFF DYER**, *Founder of Lifestyle Family Fitness*, recently gave me an update on his organization's *Fit Teen Program* that provides free two-month summer memberships for kids. He said almost 6,000 teens registered in 50 Lifestyle Family Fitness locations in 2007, and his goal for 2008 is to get clubs across North America to participate in the community outreach program. Dyer also encourages you to pass this message along to other club owners and urge them to join in. He adds, "If a significant number of clubs choose to participate in the Fit Teen Program, I believe we will get support from **IHRSA**, and eventually, some national PR and recognition for our industry. For more information and to register your club(s) go to: <http://fitteen.org/signup/> or give Geoff a call as: (727) 456.3100 ext 4022.

•**Gold's Gym International** says it's launching a campaign to persuade owners of independent gyms to convert their facilities to Gold's. Well, they had better do something because my Gold's Gym franchisees sources say that they are not too happy with the GGI organization, and the fact is, some long-time **GGI Franchisees** are leaving the Gold's brand. Amongst several I am aware of include: **ROYCE PULLIAM**, a guy who builds some of the nicest clubs I've seen anywhere, who left Gold's brand, has renamed his 25+ group, "**URBAN ACTIVE**". Moreover, I am privy to the fact that at least one, maybe two former Gold's Gym International franchisees have been sued by GGI after they left the Gold's brand behind. I bet that leaves a real sour taste in their mouths... The "*Gold's Gym Family*", eh?

•A hard charging, and relatively (See Norm's NOTES Page 10)

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...Norm's NOTES

continued from page 8

new company, **Espresso Fitness**, announced on May 13th, that it has secured an additional \$12 million investment, and the new financing will be used to fuel growth of the web-enabled cardio fitness system portfolio. Espresso Fitness is a leading developer and supplier of interactive, web-enabled cardio fitness systems for the commercial health club market. The financing will be used to expand the company's product portfolio and market reach, driving its revenue growth. Let me add... of all the new products I've seen come down the pike in the last five years, Espresso Fitness may be the most adept at doing what I have urged my readers every month for 15 years to do

in their clubs; "Make It Fun!"

•My friend, **PAUL GRYM-KOWSKI**, formerly one of the principals of **Gold's Gym International**, informed me in a recent email that over the past 3 years, he has been working on a model to bring alternative wellness programs and services to the fitness industry. He is attempting to bridge the gap between the medical practice and the fitness environment. On May 15th, **Health Engineering Group, LLC** was to begin its first beta test in a fitness facility in North Carolina, in conjunction with an established chiropractic practice that now operates in that facility. They will also bring wellness assessment services into self-insured corporations with the intent of creating



Augie and Lynne Nieto at The Bruce Springsteen Concert
 (L to R) Dennis Lee, Lynne Nieto, Bruce Springsteen, Augie Nieto, Tim Porth, Lori Porth, Claudia Lee, Carrie Dettinger, Jerry Dettinger, Anne Duncan, and Steve Duncan

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employee member traffic to the nearest fitness facility or gym to implement the continuum of care. *Stay tuned!*

•Speaking of new websites, as of our May 2008 press date, our new website, www.clubinsideronline.com, has had over 5,000 visitors since our launch on April 1, 2008. We hope to see you there before May 31st so you may take advantage of our free online trial offer. To use the free trial, which will give you access to all of our 2008 editions as well as much more, go to our website and Login with: **Username: Cltrial** and **Password: subscribetoday**. Also note, our online subscription is priced at \$49 per year and a print/online combo is priced at \$89 per year.

•**Augie's Quest** has now raised \$14,141,255 for the Cure, and that number is going to jump big time at the end of May. That's because over 800 clubs involved in the **Clubs for the Cure Program** will have hosted fund-raising events for Augie's Quest in clubs all across America. The Clubs for the Cure Team joined **Octane Fitness' Club Industry East** exhibit in New York City, and the team is pictured on this page with **AUGIE** and **LYNNE NIETO** and "The BOSS"... **BRUCE SPRINGSTEEN**. Augie commented on meeting "The Boss", "It was a magical night. We went backstage and were treated like royalty! Bruce came out and not only took the time to take a couple of photographs, he took the time to ask each of us how we

were doing. This was not a rock star going through the motions; it was a man who really cares. It was an honor and a privilege to meet the Boss!" *Stay tuned* for results from the Clubs for the Cure Events next month!

•**God help the Americans** across the U.S. who have been hit by **tornados**, the tens of thousands of people who are suffering in **Myanmar** from the cyclone and in **China** from the major earthquake.

•**God bless our troops, airmen and seamen** as these brave men and women risk life and limb everyday for all of us in Iraq and the Middle-East. *God bless their families* for the sacrifice they

make for all of us. *God bless* the citizens of **IRAQ** as they deal with daily death and destruction from suicide bombers. *God bless* you and your family. *God bless America!*

(Norm Cates, Jr. is a 35-year veteran of the health, racquet and sports club industry. Cates was the Founder and is now celebrating his 15th Anniversary as the Publisher of **CLUB INSIDER**. He was IHRSA's 1st President, and a Co-founder of the Association with Rick Caro and five others, in 1981. In March, 2001, IHRSA honored Cates with its **DALE DIBBLE Distinguished Service Award**, one of IHRSA's highest honors. Cates may be reached at: (770) 850 - 8506 or email: Norm@clubinsideronline.com)



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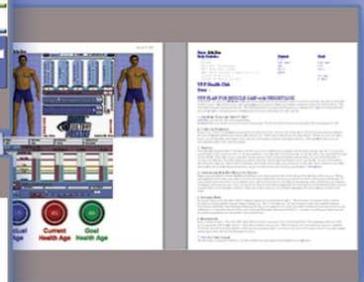
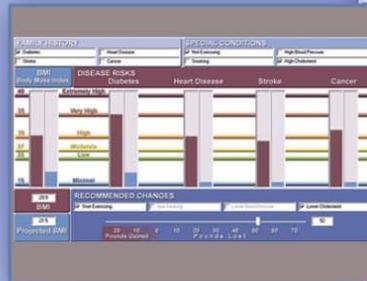
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...Insider Speaks

continued from page 6

You Must Teach Them

And, you should know this too... the future of this industry is squarely sitting on the shoulders of you and your club's staff and its ability to learn how to go about teaching the minds of the members first...

YOU must learn how to teach your members to train their minds in order to get them to your club regularly. Paying membership dues will not do it. Having lots of machines will not do it.

You must teach members that they hold the keys to their car in their hands and that the direction they point their car when they leave work or home will dictate what their present and future lifestyle will be.

You must teach your members that where they point their grocery cart when shopping

for food will dictate what their present and future lifestyle will be.

You must teach your members not to point their car toward a fast food store.

You must teach your members not to point their car toward a bar when they are leaving work, and teach them to point their car toward your club.

You must teach your members to use their mind to make their car carry them to your club, get out and go in the door of your club.

Then and only then, will your club have a fighting chance.

Then and only then, will your club have a chance to win the battle of helping your members make the lifestyle change that is necessary for the long haul, and that change is necessary for more frequent and regular club use.

Then, and only then, will your club usage statistics stop looking like the statistics shown in John Craig's Fitness Business

News' April edition.

Then, and only then, will we have less to worry about with both new membership sales and membership retention.

Only when your members use their trained minds to make them turn their cars toward your club will your club have a real chance of making their bodies do the work on your machines and in group exercise classes that is necessary for true results. Then and only then...

It is just that simple, but it is just that complicated. The MINDS have it... not the machines.

And, with all due respect to Mr. Craig's second quote, "But the club attendance numbers suggest there's more than a grain of truth to the idea that sometimes, no matter how noble the cause, no matter how many times you articulate the argument, the message just doesn't get through", I have this to say: John Craig's words are from someone

with very good intentions, but from one who is not a veteran health club operator.

Until you have made a living in a business in which the reality is that the utopia of 100% attendance and usage will never come, but you realize that and make it work anyway, you will not truly understand this challenge. If you are in the business, you know what I am talking about when I say you most likely say to yourself every day, "We will not give up, we will not relent, we will not quit trying to get results for our members... no matter what."

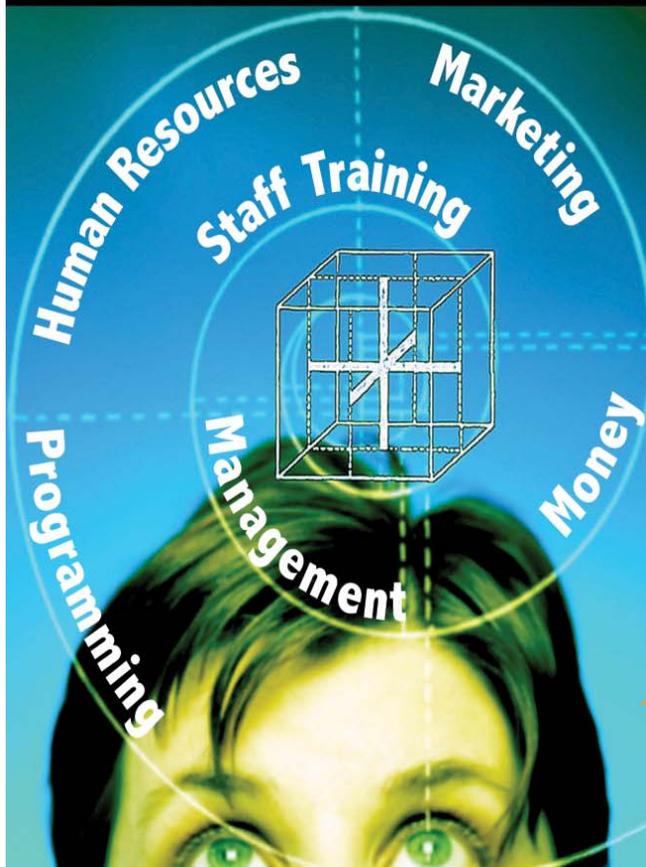
We all must remember our industry is just a baby. This baby must learn to teach the minds of its members about making showing up at your club a top priority. Some of you know exactly what I write about here... the vital importance of educating your member's minds first, before you allow their body to discourage their minds, early on.

The answer to my friend,

John Craig's question, "Why don't they believe us?", is: We need to educate their Minds first, so they show up at our clubs... Then, work on their bodies... That is the premise of many of the top health club operators in business today and clearly the premise for the future.

(Norm Cates, Jr. is a 35-year veteran of the health, racquet and sports club industry. Cates was the Founder and is now celebrating his 15th Anniversary as the Publisher of CLUB INSIDER. He was IHRSA's 1st President, and a Co-founder of the Association with Rick Caro and five others, in 1981. In March, 2001, IHRSA honored Cates with its DALE DIBBLE Distinguished Service Award, one of IHRSA's highest honors. Cates may be reached at: (770) 850 - 8506 or email: Norm@clubinsideronline.com)

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Mark and Karen Steinfield

Gold's Gyms of Howell, Point Pleasant, and Long Branch



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Association Insurance Group

...The Belmont

continued from page 3

by another major financial player (STAY TUNED!).

John and Jan Doyle provide their Belmont Shore community with an excellent value, and the community has strongly embraced and supported the club for 28 years. The BAC is 25,000 square feet and has been constantly upgraded and remodeled over the years to keep a high product standard. Initiation fees are \$150 for singles and \$195 for a family. Monthly single fitness memberships are \$64 and a second person is an additional \$49 per month. Student rates are \$49 per month, and racquetball players pay an additional \$10 per month. All monthly memberships are month-to-month, and if a member must drop his membership, he may do so with no penalty or cancellation fee by providing a written notice. Members who join on the monthly plan pay the Initiation Fee, plus the first and last month's dues. The BAC essentially provides a 30-day money back guarantee. If a person pays the Initiation Fee and the first and last month's dues and they want to leave after one month, they get their Initiation Fee and the last month's dues back. John Doyle's club business philosophy is: "We don't want them to feel obligated to stay if they are not happy." The BAC also provides a 15-month membership for those who pay 13 months in advance.

After 28 years, John and Jan Doyle's Belmont Athletic Club enjoyed its best financial year in 2007, and the following interview will clearly illuminate why. You will read wonderful and meaningful comments by John Doyle about his staff, their long tenure and how his Team works WITH him, not FOR him. Everyone in our industry, on both the club side and the supplier side, will benefit from reading

John Doyle's interview.

So, I invite you to read on... and learn from one of America's and the world's greatest club veterans. Do enjoy this interview with the one and only... John Doyle.

An Interview With John Doyle Club Business Good Guy

CLUB INSIDER (C.I.) - John, please tell our readers about your early days.

John Doyle (JD) - "I was born outside Philadelphia in a small town called Colmar, PA., and I was the last born of ten children. At age 3, my family moved to Huron, Ohio, a town located on Lake Erie. It was a town of about 5,500 people, and it was one where everybody knew who everybody else was. It was a wonderful experience and a wonderful place to grow up. We were right on Lake Erie, and we had all of the benefits of the lake all summer long, and in the winter, we had the ice all season long. We were kids... we didn't know what cold and warm meant. I went to Huron High School and played most of the sports the school had. During my senior year in high school, I figured out that if I played all the spring sports, I wouldn't have to go to class in the afternoon! Well, after two days of not attending my classes, they called me in and said, "O.K. smart aleck... pick two!" I had signed up for baseball, track, golf and tennis! So, I just picked baseball and track for the spring. I went to Bowling Green University on a combined football and baseball scholarship and graduated in 1964. I actually ended up with a triple major: traffic and transportation, real estate and economics, but that was purely because of all of the overlap of the classes.

C.I. - Please tell our readers about your wonderful family, "Doyle Five".

JD - I met Jan at Bowling Green

State University in Bowling Green, Ohio. We had grown up about 8 miles apart. After I met Jan, she showed me her diary disclosing she had a "crush" on my brother all this time. Jan is 6' tall and my brother is 5'10", so she said, "Nah, that's not going to work." When I graduated from Bowling Green, I went to California to visit the rest of my brothers and sisters who had already migrated there. Then, I ended up getting a job out here. So, I convinced Jan to come to California, and we got married in September of 1964. This September we will celebrate our 44th Anniversary! It's really been great. Jan and I had three children, and each of them have worked in our club business at one time or the other, but each have chosen not to work in the club business for their futures. Our daughter, Tracy, is the oldest and lives in Holland now with our two grandsons ages 4 1/2 and 2 1/2. Tracy has been our international traveler going to Spain as an exchange student out of high school. She eventually moved to Holland for work and got married and worked for Nike as European marketing coordinator and became fluent in three languages. Our second daughter is Dana. Dana had the shortest tenure here at the club of any of our children. She worked here for two weeks, and then asked for a "meeting" with me. She came in and said, "You know what? I love the people here, and I love everything about the club, but this is not what I want to do." I said, "O.K. That's part of why you are here. She is now a Professor of Art History at Long Beach State University and at Orange Coast College. Her husband, Nathan, is also a college professor. Our youngest is Brady, now 32. Brady's a good size boy... 6'8" (John Doyle is 6'4"). Brady went to Film School in Boulder, Colorado, and one of his jobs in Boulder while in college was working with Karen Woodard, owner of Pulse Fitness at the time. Brady lives in Los Angeles now and has continued to work in the film business and is currently involved in computer coordination of special effects. He did that in movies for about 8 years, and a year ago, switched over to the same type work only for TV commercial productions. They are great kids and Jan and I love them dearly. We love it whenever we can get together with them.

C.I. - John, tell us about your



Belmont ChildCare Center

years working with Jan in your businesses.

JD - I have worked for myself for most of my life. The neat thing about that is that Jan and I have worked together for 38 out of 44 years. When I got out of college, I went to work for the International Harvester Motor/Truck Division. I worked for that organization at different levels for 6 years. Then, in 1970, a friend of mine and I started our own business. In 1969, my brother Paul went up to pitch for the Atlanta Braves as a relief pitcher. Paul had received a playoff check from the Braves. My friend, and new partner, and I had ordered a bunch of parts for our new business, but we discovered we were short of funds to pay for all of the order. So, we convinced Paul to come into business with us. He agreed and he provided his playoff check funds for the parts, and the rest is, as they say, history. Our company was a truck parts manufacturing business for heavy duty trucks, and we called it the TMR Products Company. We manufactured heavy duty parking brakes for trucks and trailers and had our own foundry. So, that's how my brother and I got into business. Jan & I sold that business in 1980 after we had gotten into the club business.

The ability to spend most

of your working life with your best and most trusted friend by your side, who also happens to be your wife or husband, whom you love very much, is all that anyone could ever hope for. That is what Jan and I have had over our 44 married years. Jan has been involved in almost every step of every business we have been in. The Belmont spans a time of over 30 years since Jan typed the first proposal to lease the old Belmont movie theater. It began before that when we started the Circle Racquetball Courts project. Jan typed and edited the subscription and partnership agreements for our original investors (almost all who are still with us today). She typed up the proposals that went to the 27 banks we made proposals to try to get the financing for our first club. (The 27th bank loaned us the money). Whatever it was that needed to be done to keep me on top of my paperwork, Jan did it all for all of these years.

One of the best stories of Jan and me working together was when we went to Las Vegas to negotiate for 800 rooms for one of IHRSA's earlier conventions. One of our meetings was with the Riviera Hotel. During the tour of the hotel and the meeting afterward Jan was with me and

(See *The Belmont* Page 16)



Belmont CardioTheater

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Owners of Elevations Health Clubs



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...The Belmont

continued from page 14

took shorthand notes of everything that everyone said. When we got back home we received their quote in the mail and it was very different than what they had told us at the meeting. We talked to them on the phone and because of Jan's shorthand notes I was able to tell them exactly who said what and when throughout the entire meeting. When it was all said and done they agreed to what was in Jan's notes. That was fun.

The last couple of years have not been fun for Jan due to some severe back problems and two broken hips. She still works on her computer every day from our office in our home but really misses the IHRSA conventions and seeing all the wonderful people we have gotten to know over the years. She does exercises every day and has a physical therapist from the club come to the house twice a week and she is doing a little better day by day. Through it all Jan has a wonderful attitude and her ongoing great sense of humor. She's great!!!!

C.I. - John, you've been in business at BAC for 28 years... a truly remarkable accomplishment all by itself. Congratulations! Tell us when and how you got started in the racquetball/health/fitness club industry?

JD - Well, I learned how to play racquetball in college. Back then it was called "paddleball", and we used the wooden paddles with holes in them and a tennis ball. When I came to Long Beach, while working for Harvester, I kept playing racquetball. I started going over to Long Beach City College at 5:30 to 6 in the morning to play, and I had to wait almost two hours every time to get a court! So, I thought, "This is ridiculous!", and started

looking into it. I put together some partners, and we raised some money. We tried to buy the Long Beach Athletic Club, but that didn't work out.

So, we started looking for property here in Long Beach. The biggest land owner in Long Beach hung up on me when I called him about property for this venture, but a few months later, after finding the man owned virtually all the available property in Long Beach, I called back and got his son on the phone this time. I told him about the project, and he told me to come on in and talk. He gave me a location to consider, and I spent \$1,000 to have a design drawn up and presented to them. They wanted me to wait 18 months, and I said I didn't want to do that.

They then showed me the Circle property. It was a pie-shaped lot on the Long Beach Traffic Circle, which averages about a car wreck per day! So, we made the deal, started construction in October, 1977 and opened it in October, 1978.

Before we opened the Circle, the Belmont Movie Theater closed down in Belmont Shore, so we began to look at that location because we wanted to control the market. It took us 11 months to negotiate a lease. The movie space owners didn't want to talk to us at first because they wanted it to reopen as a movie theater, and the Belmont Shore Cultural Heritage Commission ended up fighting us when we did get the lease on the property. It just went on and on.

So, the Circle had opened in October, '77, and the BAC opened almost two years after we signed the lease. To build and open the BAC, we had to get through the City ordinances, the California Coastal Commission and the Cultural Heritage Commission. They were the ones

fighting us the most, until I finally invited them in for a meeting inside the old theater building. Upon our arrival there was a big fire pit in the middle of where the seats used to be. The homeless in the community had been using the empty theater keeping themselves warm at night, and the movie screen was torn from one corner to the other.

Right after that, the Cultural Heritage Commission, said, "We will support you." We then had to go before the planning commission, but we never had to say another word because the Cultural Heritage Commission spoke on our behalf of our project and walked the deal through for us. So, we were able to get the Belmont Racquetball Club opened in July, 1980.

We ultimately kept the Circle Club property until 2002. But, back in 1983, we had sold the Circle Club operation and leased the building to the operators. They ran the thing into the ground and went bankrupt by the end of 1984. We took the property back out of bankruptcy at the beginning of 1985. How that happened and how we got the building back was interesting. The bankruptcy judge said, "We don't care about you, and we don't care about the guy who closed it down. What we want to know is what about the people who bought memberships there?" So, we took in all the Circle members at the Belmont Club with no initiation fees. All they had to do was pay dues. We held on to the Circle Club property, but did not reopen the club ourselves.

In early 1986, we leased the Circle property to Chin Yi. That was his second club, and Chin was a fantastic tenant. He's grown big, as I think LA Fitness has over 200 clubs now. The thing about LA Fitness is you can walk into any of his clubs, and they are pretty much the same. This makes it great for multi-club managers. When we leased the Circle to Chin he had been in the business at that point for about 7 or 8 years and had experienced some of the real shysters in this business, so he'd learned from the ground up what to do and what not to do.

I used to have a lot of fun because we were one of Chin's credit references when he was growing LA Fitness early on. We'd have reps for these big shopping centers call us and tell us Chin was using us as a reference. I'd say, "Well, we've dealt with Chin Yi for all these years and not once has the



Belmont Group Exercise Studio

rent ever been on time!"... and you'd hear this gasp on the phone and I would then add... "that's because Chin Yi has always paid his rent early!". And, he always did. We had a great relationship with Chin Yi. Later, he built another LA Fitness Club not far from the Circle location, and we negotiated a buyout of his lease. We then sold the property to a car dealer, and it is a Porsche dealership now. Our relationship with Chin started well, went well and ended well.

C.I. - Your website, www.belmontathleticclub.com tells me something I already knew from our 30+ year friendship. You are a *relationship kind of guy*, and you've used your *talent with people* to embrace your community with your club and to build trust with the folks in your community. Please tell our readers about your *relationship building* in your community and how this *trust building* has been beneficial, not only to your community, but to your club business.

JD - When we started working on the BAC, we had a lot of people that didn't want to lose their beautiful old theater. So, what we did was get as many people as possible to see what their beautiful old theater had become. In fact, the head of the Cultural Heritage Commission at that time, Scott Winston, was our 500th Belmont member. He turned out to be very helpful to us, and we were very thankful for his help.

One of the things that happened during that time was we had a lot of membership-based businesses in our community, not necessarily fitness clubs, but night clubs or travel clubs where people had done pre-sales and had run away with the pre-sale money. This was a time when we were doing our Belmont pre-sale, and California law did not then

require escrow of the pre-sale money. In fact, we were planning to use some of those funds to augment our financing that was in place, so we had to convince people of who we were and what we were doing.

Having the Circle Club at that time was very beneficial. We had an entity that they could see. When they joined here, they could actually go and start using the Circle Club. During the early stages of construction, the small business community around us was pretty upset because the building was boarded up during construction. So, they temporarily perceived us as the "bad guys." We just kept talking to them and telling them to bear with us because we were going to bring more new business traffic into the community than they had ever had before.

But, they also realized it was a total fire hazard to their businesses. We would sit patiently and hear about their experiences when it was a theater. This is a pretty small community, and when we started getting people on our side, it just kind of snow balled. Our concept was that we wanted to build something that would be like a *second home* for the people in the community. In some cases, we were too successful, because it became a *first home* for some! Our approach to begin with has been something that has held us in good stead for a long-long time. Just by opening up and telling them exactly what we thought was going to happen, and then actually making that happen, bonded them to the club.

C.I. - John, if you could share the one single best tip for club owners about *trust building* in your community through your club, what would that tip be?

JD - Norm, I took a couple (See *The Belmont Page 18*)



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...The Belmont

continued from page 16

of minutes to think about this question, and it really boils down to one word, and then one word expanded upon. That word is *honesty*. Basically, it is *honesty in what we say and what we do*. The new members who come into our clubs these days are handing over a bunch of financial information to us when they join our clubs, especially with the EFT process. We take that very seriously. We earn that trust. Continuing on honesty, I think the other part of it is... in your message and your commitment to help people, not that you are just in business to collect their money. We have a young lady, Amanda Tamble, who is a *New Member Coach*. She talks to every new club member to get them acclimated to the club, get them comfortable with the experience of the club, and she tries to help get them into a program. She gets no commission on any of that stuff. Her method is just to guide the people and help them achieve their goals. What we try to do is let our members know that we are here for the member's good.

C.I. - Over 28 years John, how many times have you done significant renovations, additions, improvements and upgrades in the Belmont Athletic Club?

JD - Oh boy! When I read that question earlier I thought about it, and I looked at it from different perspectives. There have been seven different major projects

during the years. On average, for upgrades and maintenance, we spend about \$150,000 per year and have averaged that amount for almost 28 years. You asked about how many racquetball courts we had. We started out with 9 courts. We converted two of those in 1984, just four years after we opened, enabling us to enlarge a 600 square-foot aerobics room to be a 1,600 square-foot room. We took out another court in 1987, and in 1989, we created a double use of one of the courts for basketball. In 1995, we added CardioTheater and expanded our weight room by taking out two more courts. That brought our total to the 4 courts we have today. In 1985, we leased out Murphy's Pub to someone else. In 2001, after going through a couple of owners in that operation, we took Murphy's back, remodeled it, and now, we operate it ourselves. In 2004, we remodeled the pro shop and put in a new physical therapy office and rebuilt the whole massage therapy section from the ground up. In 2006, we rebuilt the locker rooms entirely and replaced all the lockers. Overall, since the beginning, and after we opened, we've invested an additional \$2.2 million, and that was for the upgrades only and does not include maintenance costs.

C.I. - John, you mentioned that you have zero parking for you club members. That is amazing. Tell us about that please.

JD - Yes, we have zero parking. Originally, we had three loading zone spaces for the theater. Two

weeks after we opened the club, they put three parking meters out there! There is street parking and several metered parking lots around, but the people who live in the Shore know how to make it all work.

C.I. - John, let's talk about your super Belmont Athletic Club Team. Who are your key staff members and how long have each of them been with the BAC?

JD - Norm, I don't know if we have enough time for me to tell you all about them. In February, I had a talk that I had to give at the Long Beach Executive Association I'm a part of. They wanted to know about our employees and backgrounds. So, what I did was add up the years the managers have with Belmont. Collectively, our eleven managers have 132 years of combined experience. If you add the experience Jan and I have on top of that, it jumps up to 188 years. Now, to keep playing the numbers game, Rosemary Ryan just retired last year. That would add another 26 years, bringing the total to 214 years! Our GM, Jeff Cozart, has been with us 24 years! On top of that, we have two of our Personal Trainers, Susan Phillips and Tammy Sheppick who have been with us between 17 and 20 years. And, we have an aerobics instructor, Lynda Muenzer who has been with us for 28 years at BAC, and she used to be at the Circle Club for several years before that! We built this club with no exit doors! That was the key. They are a great group of people. They are truly the reason that we are anywhere near as successful as we are. It does not happen without them, and the nice thing about this is most of them have had the chance to meet you, Norm, at the IHRSA Conventions!

C.I. - John, clearly you are a master at developing and maintaining very strong relationships with your Team members. Please tell our readers the guidelines you use when managing, bonding with and incentivizing your staff?

JD - I think, to start, it comes down to *no one works for me. They all work with me.* It's a small business, and we really try to operate it a lot like a family where we help and support each other, not just in their jobs, but in the outside world if they need it and want it. We've been through lots of experiences over the years with our many employees and overall



Belmont Racquetball Courts

we have had great employees. Rosemary and Jeff have done the majority of the hiring over the years and they are on the same wavelength as Jan and me on how we feel and treat people so we have been very happy with their hiring choices. We have always tried to hire and promote from within. That way, our managers know the culture of our club because they have experienced it before becoming managers, and that was where Rosemary was phenomenal. Thinking back, with just two exceptions, our sales staff has always come from our current staff. One very successful exception that did not come from our current staff was Lorinda Drake, our office manager. She was referred to us by a good friend of Lorinda's and ours.

C.I. - So, they come on board in other roles and switch over to the sales staff, in essence learning the club culture before they start selling it?

JD - Exactly. Exactly the words we use too, Norm. Another part of it is taking our Managers to IHRSA each year. It is one of our best bonding experiences year in and year out. We had 11 people at IHRSA in San Diego this year, and it was the first time for three of them. It has never failed to be a phenomenal experience. It becomes part of their lifestyle.

C.I. - The Belmont Athletic Club is located in an upscale area of Long Beach, California. Please tell us about the competition you deal with in the Long Beach area.

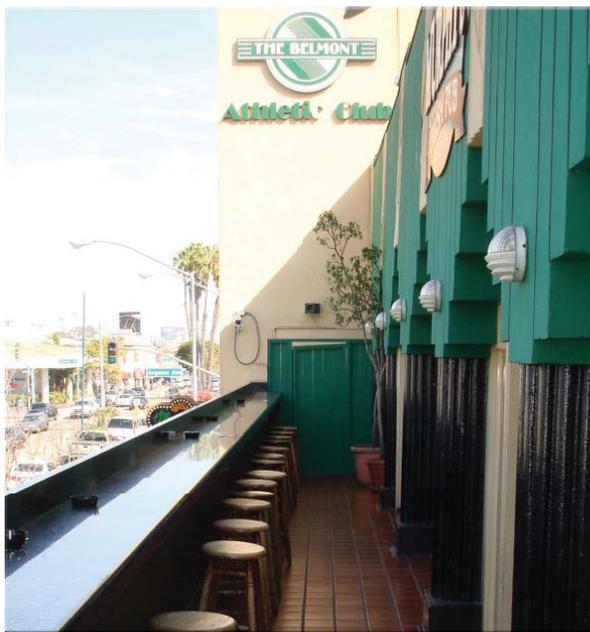
JD - The competition is owned by a combination of people that you know, Norm. We have the Frogs Club, 2.5 miles; a Bally, 2.5 miles; Gold's Gym, 3.5 miles; 24 Hour Fitness, 3.5 miles; a small women's club at Seal Beach; 3 miles; LA Fitness, 6.5 miles; another 24 Hour Fitness, 4 miles;

South Coast Athletic Club, 7 miles away (the closest type club to our operation); and the Los Altos Y.M.C.A., 3 miles away. And, I can't count the number of Curves and personal training studios and other operations spread out all over the area. Part of the saving grace for us is it is not easy to build near where we are at.

C.I. - You and I enjoyed serving together on the last National Court Club Association Board of Directors and then together on the first IRSA Board of Directors (before "Health" was added to the name making it IHRSA). Please reflect back on those days and share how IHRSA has helped your club over the years.

JD - The NCCA and IHRSA have been a wonderful influence on the entire way we run our club. Being on the IHRSA Board and spending time with people like you Norm, Rick Caro, John McCarthy and Chuck Leve was a fun and amazing experience. I got to thinking about some people I've missed seeing for awhile, such as Ted Torcivia and Bob Petersen. Thinking back, I made reference in my mind to the wonderfully committed, crazy founders of this organization. It was an education that could have come no other way than having been there. Probably the greatest lesson I learned from all of these years with IHRSA is probably: you are not alone in our industry. Everyone is basically dealing with similar problems, to varying degrees. The people that I've come in contact with through IHRSA are willing to share their ideas and give you their thoughts on them, without ramming them down your throat. As I mentioned, the conventions themselves have been kind of like our guiding light in making changes and improvement modifications here at the club. The conventions

(See *The Belmont* Page 20)



Murphy's Pub Patio

advice, etc.

“Dollar for dollar Thin & Healthy’s Total Solution has been our best investment and the fastest ROI. It’s pure profit!”

MIKE DEIGAN,
The economy’s tight and everyone’s shopping gym memberships for the lowest price. But I’ve got members involved in Thin & Healthy’s Total Solution who are paying \$400 or \$500 a month to have their entire family involved. I don’t know too many clubs that carry that kind of weight.

On September 1, 2007 we opened a Thin & Healthy’s Total Solution inside our club. Our marketing strategy included marketing to members on the floor, members who weren’t coming in, and people who had never been members.

Because of our high traffic it was really easy to create the hype internally.

We had somewhat of a limited budget to get things rolling, but from what we did do, we were able to hit and then exceed our numbers in just a few months using the Thin & Healthy’s Total Solution business model. The THTS projected numbers were very accurate.

The beauty of the THTS model is that there’s more than just one way to grow your business. Even when the new membership numbers weren’t as high as expected, our retail numbers were far beyond expectation. Of course, we all want new members, but if you’re having a rough month, you can still hit your numbers by pushing the retail/product as well.

Dollar for dollar, Thin & Healthy has been our best investment and the fastest ROI we’ve had in three years. It’s pure profit.

If you had told me before that we would do \$800 a week in retail/product sales, I’d have said, “You’re crazy!” That translates into \$3200 a month and that’s something to

shake a stick at! That’s 3200 more than we were doing before!

On top of that - and this is so critical for independent clubs - the closeness our members feel to our club (now that they are bound physically, mentally and emotionally because of the contact they have with people inside the walls) makes our members stay much, MUCH longer.

Weight loss is one of the number one retention tools you can have inside a club. Plus, Thin & Healthy’s Total Solution provides more than just weight loss; it provides the member with the ongoing motivation to keep the weight off, which turns into an even longer relationship with these people. My members using THTS are participating in the program and they are getting results.

If you had told me that THTS would help us sell \$800 worth of product in one week, I would have said, “You are crazy!” Now I’m happy to be making \$3200 more a month!

In this day and age, with the tight economy, everyone’s shopping gym memberships, looking for the lowest price. Yet I’ve got members with their whole families involved in THTS for \$400 or \$500 a month. Before adding THTS, our family memberships were only \$130 per month.

We’ve almost tripled our dues and brought in product income that was literally non-existent before, and the families don’t even look at the price. They wouldn’t cancel that membership because it’s a very important part of their lives. I don’t know too many clubs that offer programs that carry that kind of weight.

To club owners thinking about adding Thin & Healthy’s Total Solution into their facility, the best advice I have is to focus on hiring quality people to run it, or transferring the right people over from your club. That’s the most critical element of success in any club THTS would go into. Because I have such a great person who’s brought on more great people to help with THTS, it’s been easy for us to see success.

For us, this program is just it’s in its infancy. We’ll have about 400 people in this program by year’s end. We’re on target to do nearly \$10,000 additional income (real money) before this month is all said and done.

There are a few different kinds of club owners out there: the madly successful, those who are barely breaking even and those who are downright struggling. Here are the reasons each type of owner should add THTS.

The successful club owners are successful because you go above and beyond and adding THTS to your services allows you to stay ahead of the competition.

For a break-even club, the profit margins available with the THTS concept (aside from the initial investment which is minimal compared to many of the purchases you’ve made just to get your club open) make this a no-brainer. You can’t just “open the doors and they will come”. I’ve yet to discover a business like that.

For the struggling club owner, open your minds to something different. You can be successful with the Thin & Healthy’s Total Solution license. THTS can literally turn a business around if done properly. X



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...The Belmont

continued from page 18

are absolutely an invaluable experience, not only from a staff bonding point of view that we talked about earlier, but from the educational environment that they provide.

C.I. - John, you've already taught us all a lot in this interview, but if you have more, please do provide

us with 5 or 6 items of advice for club longevity for our readers.

JD - Well, I thought about this one too. So, here goes.

1. Probably the simplest of all business practices: Do your homework before you get into this or any other business.

2. Begin with the customer in mind, but it has to work both ways.

3. Hire good people and treat them with respect because

they are the ones that are going to make your business work.

4. Analyze your business, and don't be afraid to change your business. **Change is good.**

5. If your outgo exceeds your income, your upkeep will be your downfall.

6. Keep learning about your business and always learn from others.

There you have it folks... words... true golden nuggets

of wisdom, from John Doyle, direct to you to help you advance the state-of-the-art of your club business.

Thanks to John and Jan Doyle for their assistance with the production of this fabulous Cover Story. Thanks to Jeff Cozart for the photos. And, thanks to each of you for reading **CLUB INSIDER**.

(Norm Cates, Jr. is a 35-year veteran of the health, racquet and sports club

industry. Cates was the Founder and is now celebrating his 15th Anniversary as the Publisher of CLUB INSIDER. He was IHRSA's 1st President, and a Co-founder of the Association with Rick Caro and five others, in 1981. In March, 2001, IHRSA honored Cates with the DALE DIBBLE Distinguished Service Award, one of IHRSA's highest honors. Cates may be reached at: (770) 850-8506 or email: Norm@clubinsideronline.com)

Meet The Belmont Athletic Club Staff

By: John Doyle, Belmont Owner

Jeff Cozart - General Manager - 24 years at Belmont - Jeff is the guiding hand of The Belmont ship. He is available to his people 24-7 and has a wonderful ability to communicate with everyone in a very calm manner no matter what the situation. He stays on top of everything that happens at the club and delegates very well with the attitude that "we will" rather than "you will". Jeff has the respect of everyone at the club and The Belmont would not be where it is today without this fine gentleman being such a big part of our Belmont history.

Rosemary Ryan - Was Assistant General Manager until she retired last year after 26 years at The Belmont - The two together, Rosemary & Jeff, I considered as the heart and soul of The Belmont. The wonderful staff that we have had over these many years were mostly hired by Rosemary & Jeff. Rosemary looked on her staff as her family and did everything to help them be successful here at work and in their personal lives. Besides great people skills, Rosemary was the organizer, coordinator and decorator for our remodels and anniversary parties for all these years. She is a truly classy lady who is still loved by her staff and members. We miss having Rosemary here at the club everyday.

Josh Tims - Assistant General Manager & Sales Manager - 8 years at The Belmont - Josh has done almost every job in the club. He was one of our most successful sales people ever and is a certified personal trainer. Josh competes in triathlons and trains people to run marathons. He has recently restructured our personal training program to make it much more profitable. As sales manager, along with Jeff, he has just engineered the best sales year in our club history. From all areas

of our business, Josh & Jeff pretty much make everything work here at The Belmont. They are a great combination of knowledge and talent.

Lorinda Drake - Office Manager - 12 years at The Belmont - Lorinda is by far the best Office Manager our business has ever had. She is the tough love person in our organization with the softest of hearts when it comes to our staff and anyone who needs a helping hand. Lorinda is a true can-do type of person on all fronts who has continued to keep us at the top technologically with her many abilities. A wonderful person, and a continuing asset for our club, Lorinda is the person to go to for answers and help no what the situation might be.

Patty Smith - Group Exercise Manager - 16 years at The Belmont - Over the years, Patty has done an excellent job, first in managing the front desk staff and then, running the fitness, group exercise and Pilates programs as well as sales and office work. We are hard pressed to find an area of the club that she has not contributed to at one time or another. Patty is a wonderful, well organized lady who has

added tremendous credibility to our programs through her continuing education and hard work. Certified as both a personal trainer and Pilates instructor, Patty will be greatly missed as she has announced her retirement from management as of July of this year. The good news is she is going to continue to teach in our Pilates and group exercise programs.

Gloria Isenhour - Child-Care Manager - 20 years at The Belmont - Gloria is a wonderful lady who has taken care of not only our members' children but her own staff as if they were her own. She has had children grow up through our childcare program and come back to be part of her staff. The children, members and staff love Gloria. The amazing thing about Gloria is that she has done all this for 20 years while she suffers from juvenile macular degeneration and is legally blind. Gloria is some kind of special lady.

Cynthia Longbrake - Murphy's Pub Manager - 20 years at The Belmont - Cynthia is one of those fantastic people who can do and has done almost every job here at the club. She has worked

the front desk, sales, office manager, and since 2001 has done a great job running Murphy's Pub here at The Belmont. Cynthia is a pleasure to work with because she has such a positive attitude about everything and is willing to help everywhere in the club no matter where or when. It's tough not to succeed when you have people like Cynthia on your side.

Nicole Canseco - Assistant Club Manager - 9 years at The Belmont - Nicole, like Patty Smith, started out being one of the best front desk people we have had here at the club. She has now taken over from Rosemary the running of the front desk and is an Assistant to Lorinda in all the office work. Nicole's contributions to the club have expanded to where she is one of those very special people that can do probably every job in the club. What an asset!

Amanda Tamble - Assistant Fitness Manager, Retention Manager & New Member Coach - 5 years at The Belmont - Amanda is another one of our multi-talented young ladies. She has worked the front desk, sales, office, fitness floor and is a certified personal trainer

and Gravity instructor. She is the club's retention manager and new member coach and talks with all new members to get them comfortable with the club environment and help them get into areas that will help them achieve their personal goals. Great work skills and a wonderful people person.

Tara Tims - Group Training Manager - 6 years at The Belmont - Tara is a certified personal trainer and has worked in our fitness programs and taught aerobics, and along with Libby Zonotto, has set up and runs our very successful group training programs. With all her talent, energy and ideas, Tara helps Cynthia as a backup in Murphy's Pub and will be replacing Patty as the group exercise manager in July. Tara is married to Josh Tims, our Assistant GM, and like Josh, she too is a tri-athlete. They are a great combination.

Mac Heiden - Assistant Sales Manager - 5 years at The Belmont - Mac is one of those people who can do almost anything and does it well. He is one of our most consistent & successful sales people with a great ability to train others. His attention to detail and follow-up are outstanding, which made him a great choice for assistant sales manager. Along with **Justine Sidell**, **Jackie Schultz**, and **Kristyn Faria**, they make up the best sales team we have ever had here at The Belmont.

Hector Garcia - Maintenance Manager - 7 years at The Belmont - Hector and his brother Miguel (who has also been here 7 years) do a fantastic job of taking care of the building & equipment both day and night. They take care of the club like it was their home. The members tell us how they are always working and always smiling. They make us all look good.

This is an All Star Team!



TO: John and Jan Doyle
FROM: The Belmont Athletic Club Staff
SUBJECT: THANK YOU!

With the 28th anniversary of The Belmont approaching, and the article in **CLUB INSIDER** sharing your contributions to our industry, we thought this would be a great time to say **THANK YOU. THANK YOU** for giving all of us the opportunity to be a part of your dream here at The Belmont. **THANK YOU** also for being outstanding role models in our professional and personal lives. We could never say this enough... **THANK YOU!**



"In the Australian Fitness Roundtable meetings I chair, questions concerning both member retention and prospecting solutions rank at the top of the list. The answer is always easy...Greenmaple Wellness. Affordable, easy for staff to use and extremely effective, I'd rate Greenmaple's automatic prospect follow-up system, and their member education and retention systems the best 'bang for your buck' on the market. I use their system at my own club and so do many clubs that I work with...the system works.."

Justin Tamsett Active Management
IHRS 2008 Guest Speaker

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- ✓ DO WE CONNECT WITH OUR MEMBERS EVERY MONTH IN A COST EFFECTIVE WAY?
- ✓ DO WE CONTINUOUSLY RAISE OUR CLUB'S 'WELLNESS CREDENTIALS'?
- ✓ DO WE PROVIDE OUR TEAM THE RIGHT TOOLS FOR CLOSING THE SALE?
- ✓ DO OUR TRAINERS HAVE THE RIGHT RESOURCES TO BUILD BETTER RELATIONSHIPS?



- ✓ DO OUR SALES STAFF PERSONALLY AND EFFECTIVELY BUILD RELATIONSHIPS, CONVERTING MORE PROSPECTS TO MEMBERS?
- ✓ ARE WE PROVIDING TARGETED OUTREACH, SAVING OUR BUDGET?
- ✓ DO WE HAVE A CUSTOMIZED, PROFESSIONALLY WRITTEN LETTER SERIES FOR EFFECTIVE FOLLOW-UP?
- ✓ DO WE CONTINUOUSLY BUILD BETTER RELATIONSHIPS WITH OUR PROSPECTS?



- ✓ DO WE HAVE AN EFFECTIVE WAY TO COMMUNICATE ANY MESSAGE IMMEDIATELY TO OUR MEMBERS AND MEMBER GROUPS?
- ✓ DO WE HAVE AN EMAIL TEMPLATE DESIGNED EXCLUSIVELY FOR US, ENSURING THE MOST PROFESSIONAL OUTREACH POSSIBLE?



- ✓ ARE THE PERSONAL TRAINERS ON THE FLOOR TRAINING AND GENERATING REVENUE?
- ✓ DO THEY HAVE UP TO DATE, INTERNET BASED TOOLS TO ENSURE SUCCESS?
- ✓ DO WE PROVIDE OUR TRAINERS WITH BRIDGE-BUILDING PROGRAMS AND RESOURCES DESIGNED TO BUILD BETTER RELATIONSHIPS WITH THE ENTIRE MEMBERSHIP BASE?
- ✓ DO WE PROVIDE THE MOST EFFECTIVE INTRODUCTORY PROGRAM TO ENSURE BETTER RETENTION?

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Polar and Virgin HealthMiles Announce Partnership

LAKE SUCCESS, N.Y., March 31, 2008 - Polar, the leader in heart rate monitoring and fitness assessment technology, and Virgin HealthMiles, a cutting-edge health incentive rewards program that connects health clubs, health care and corporations by motivating consumers to take greater control of their health and fitness, announced an innovative partnership today that will allow members to step up their fitness level by incorporating the benefits of heart rate monitoring into their workouts and increasing the opportunity to earn even greater rewards.

The program is one of the first to ensure efficient and measurable exercise routines through heart rate monitoring across a wide variety of activities. HealthMiles is offered by insurers, employers and other network partners in an effort to motivate Americans to live more active lives, and ultimately, lower obesity rates and health care costs for everyone.

By adding a Polar heart rate monitor as a tool for tracking exertion levels and progress, HealthMiles will invite members currently using a pedometer to graduate to higher fitness

intensities through activities such as running, hiking or cycling. All Polar fitness watches will sync to the member's personal account on the HealthMiles LifeZone Web site, enabling him to track their overall activity and view their daily, weekly and monthly progress online.

"An increasing number of studies highlight the impact of obesity and inactivity on our nation's healthcare deficit and it would be remiss for Polar not to lend our full support and partnership to such an important healthy living program such as Virgin HealthMiles," said Jeff

Padovan, President of Polar Inc. "By learning how heart rate can help professionals of varying fitness levels to exercise more efficiently, members of the HealthMiles program will have an invaluable asset to help keep them motivated to accomplish the ultimate goal of losing weight, keeping healthy and staying active."

"Both Polar and the Virgin brand have always been known for promoting a fun and active lifestyle, so this partnership made perfect sense for both organizations. We want to offer our members as many options as

possible for engaging in physical activity," said Chris Boyce, CEO of Virgin HealthMiles. "With Polar's unmatched reputation for accuracy and its long list of product choices, this was an ideal fit for our program. Heart rate monitors are, at their core, a powerful motivational tool that has helped thousands of people stay fit. Coupled with our incentive program, this partnership will be a powerful combination that will undoubtedly help to combat America's growing obesity problem."

Polar Introduces OwnCode®

Lake Success, N.Y. (April 14, 2008) - Polar, the leader in heart rate monitoring and fitness assessment technology, announced today that its patented OwnCode® technology -previously only available in Polar heart rate monitors- can now be seamlessly and cost-effectively incorporated into commercial

fitness equipment, putting it within reach of thousands of manufacturers and health club owners alike. Major commercial exercise equipment manufacturers such as Cybex, FreeMotion (a division of ICON Health & Fitness), Life Fitness, and Precor, have already integrated Polar's exclusive OwnCode technology

into their equipment offerings.

OwnCode significantly reduces the potential for heart rate data cross-talk by blocking unwanted signals from other heart rate monitor chest straps. This ensures disturbance-free transmission of heart rate data, allowing health club members to receive accurate and personalized

information about their workouts. Heart rates provide a precise measure of exertion level, calorie burn and a unique window to a person's fitness level. This valuable feedback enables health club members to work out at the most effective intensity, better manage their weight, stay motivated and track fitness and

weight-loss progress.

With OwnCode integrated into commercial fitness equipment, health club members will now be able to put on their Polar coded chest strap, get on their preferred workout machine and know that their personal data on display is precise and uninterrupted.

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EDGE.**

Introducing PFT 2.0 Certification

Polar and NESTA have joined forces to provide trainers with a new level of certification. Now, for the first time ever, cardio-specific innovation and heart-rate based education will be offered to personal trainers through NESTA's PFT 2.0 certification.

Increase Results, Retention and Sales!

PFT 2.0 integrates Polar's state-of-the-art heart rate monitoring with NESTA's comprehensive certification program to create an enhanced personal training experience for trainers and a more effective and successful gym experience for club members.

For more information on PFT 2.0 Certification, visit www.nestacertified.com/polar or call 877.348.6692.



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Fiserv Wins Gold Award as One of the Best Employers for Healthy Lifestyles

Brookfield, Wisconsin, May 13, 2008 - The National Business Group on Health (NBGH), a national, non-profit organization of large employers, today honored Fiserv, Inc. (NASDAQ: FISV), a leading provider of information technology services to the financial and insurance industries, for its commitment and dedication to promoting a healthy workplace and encouraging a healthy lifestyle for its employees and their families.

Fiserv is one of 52 employers who received the *Best*

Employers for Healthy Lifestyles award at the Leadership Summit sponsored by the NBGH's Institute on Costs and Health Effects of Obesity. Fiserv received a Gold Award in recognition of its successful wellness program, aimed at helping employees and their families adopt healthier lifestyles. This is the first year Fiserv has won a Gold Award, and the third year it has been recognized, receiving a Silver Award in 2006 and 2007.

Fiserv launched its wellness initiative in 2003,

developing a comprehensive program to address chronic disease and to keep associates healthy. The strategy includes building a solid foundation for wellness benefits for Fiserv's 25,000 employees in nearly 200 facilities across the United States.

"We are honored to accept the Gold Award for the improvements in our wellness program," said Wendy Salmon, Fiserv Vice President of Compensation and Benefits. "We are continually looking for better

ways to promote lifestyles that help employees improve their health. The promotion and support of a healthy lifestyle provides our employees the opportunity to be happier and more productive both inside and outside of the workplace, which in turn, provides us with a return on our investment."

One of the most popular Fiserv wellness campaigns, the Healthy You Fitness Challenge, began company-wide in 2006. During this annual campaign, more than 6,000 employees

accumulate nearly two million miles of walking, running and biking over the eight weeks of the event.

"We are very pleased to honor Fiserv for their innovation and commitment to providing lifestyle improvement programs designed to encourage healthier lifestyles for their employees," said Helen Darling, president of NBGH. "Fiserv and its management team should be proud of their initiatives and ongoing support of helping employees to choose a healthier way of life."

Cybox Shows Gains

Medway, Massachusetts, April 23, 2008 - Cybox International, Inc. (NASDAQ: 3.82, +0.06, +1.59%), a leading manufacturer of premium exercise equipment for the commercial and consumer markets, reported today results for its first quarter ended March 29, 2008. Net sales for the first quarter of 2008 increased by 15% to \$39.8 million compared to \$34.7 million for the corresponding 2007 period. Net income for the quarter ended March 29, 2008

was \$1.3 million, or \$0.07 per diluted share, compared to net income for the first quarter of 2007 of \$1.1 million or \$0.06 per diluted share.

John Agliarolo, CYBEX Chairman and CEO stated, "The Company is pleased with our first quarter 15% growth in sales and 26% increase in operating income. The gross margins for the quarter improved from Q4 2007, and we will continue our initiatives designed to produce

stronger margins. Current U.S. and world economic conditions likely will make our corporate goal of double digit growth in sales and earnings more challenging in the short-term. We will closely monitor sales activity and will respond quickly on the cost side if economic conditions produce a slowing of our rate of growth over the next several quarters. For the longer-term, we remain confident that our pipeline of new products and our strategy

of developing new markets will continue to be important drivers in promoting strong sales and earnings growth."

Cybox has launched its new website: www.cyboxintl.com, and coinciding with the site's introduction, has launched a customer website contest, called *Share Your CYBEX Fitness Story*. The contest reaches out to the end user, the people using CYBEX equipment every day in health clubs and fitness facilities

around the globe. The winner of this contest will receive a Home Arc Trainer for themselves, and a commercial Arc Trainer for the facility (or charitable organization) of their choice. "It is an exciting way to hear what our users are saying and for them to share their stories with us. We are already receiving some fantastic entries and look forward to more that will come," stated Marybeth Mawson, CYBEX Director of Distributor Operations.

EWOT: Train Low for Club Profit

By: Craig Wenborg, D.C., D.A.B.C.O.

Exercise with Oxygen Therapy improves human performance, endurance and caloric burn. The regular use of EWOT improves health and provides anti-aging benefits for all users.

Imagine being the promoter of the Dead Sea Marathon. At some 1371 feet below sea level, the Dead Sea has 20% more oxygen. So, how would you promote your marathon? The physiological benefits of running in denser oxygen would be the starting point. How about, "Participate in the Dead Sea Marathon for your personal best time." Or something such as, "Experience higher performance with less effort." Breathing higher oxygen during performance, is the marathon runner's dream.

I walked into this health club in Hong Kong, and what I discovered was amazing. They were exercising with oxygen, and the club was making money. My first impression was; oxygen promotes muscle function. Exercise with oxygen is easy to provide and enhances club income. Coming back to the States, I began exploring the benefits of exercise with oxygen.

William Campbell Douglas

was the first to describe the idea of Exercise with Oxygen Therapy. His publication described how exercise with oxygen therapy can stop aging or slow the process. Subsequent physiological studies have revealed the positive benefits of exercising with increased density of inhaled oxygen.

Modern technology has eliminated the inconveniences of providing this service in today's club setting. The idea of controlling air quality is not new. The idea of controlling oxygen quantity is. There are two ways to integrate this service into your profit center. Club members pay to breathe oxygen while exercising at their preferred cardiovascular station. The alternative involves providing a dedicated room wherein oxygen is increased to Dead Sea levels for Pilates and yoga.

Maybe some of us are just blessed. Our club is in the right location for constant client flow and new client injection. Most of us, however, are continually working to provide services that attract clients. The competition is not just between clubs. Tax-supported community recreation centers eat away at potential new club members.

At the end of the day, decisions are based upon

retaining present membership and the need for new members. The ideal situation exists when there is demand for a service which is unique within your club. It's especially appealing if this service can be provided without increasing club maintenance expenses or employee overhead.

In an article in **CLUB INSIDER** John McCarthy describes "Be fresh" is the #1 rule to help you prevail over the competition. Providing your customers with an added boost to their workout would set yourself apart from your competition. Exercise with oxygen increases calories burned each minute of exercise. Providing this service addresses obesity, the #1 health concern of our day. What if this service was so appealing that your club members started to talk and refer others?

Numerous medical research studies have been performed on the effects of increasing the density of oxygen in the air breathed during performance to VO2 max. These studies are in universal agreement: there is a linear relationship between oxygen density and watts of power produced by the human body. One such study has shown up to a 22% increase in performance. "It's almost creepy,"

says one EWOT client. I climb on the stationary bicycle, adjust my open oxygen delivery head set and set my pace. I am feeling comfortable with my perceived level of exertion, after all, my heart rate is as usual and my speed is as usual. I look down to discover that I am two gears higher on the bicycle. After twenty minutes, I am done. Calculated for me are the numbers of calories burned during this workout session. I discover that I had burned 20% more calories during this same twenty minute workout. If I do this on a regular basis, I know I can manage my weight.

Exercise with Oxygen Therapy works for the elite athlete to the de-conditioned, overweight client. Elite athletes notice a shift in metabolism in favor of cardiac and muscle function. Promoting oxidative pathways reduces lactic acid, shortening recovery time following intense workout. De-conditioned club members notice a reduction in their perceived work load, while producing greater caloric burn.

It is feasible to provide this service within a club. Oxygen tanks have been replaced by modern technology. Today's oxygen systems produce unlimited oxygen with a simple on and off switch. Large oxygenation systems have the capacity to flood an entire room with oxygen levels seen at the Dead Sea.

Increasing club revenue does not have to come at a high cost to the club member. Sophisticated EWOT systems are now available which operate on a point purchase and debit system. Clients pre-purchase points which are automatically debited with each use. The club controls access through chip cards.

At only 30 cents per minute, multi-station EWOT systems can generate in excess of \$1.6 million per year. Providing oxygen to existing cardiovascular station produces additional income without expanding existing equipment inventory. Revenue generated is enhanced through the sale of personal breathing devices called Exercise Cannula.

For the healthful pursuit of Pilates and Yoga, oxygen quantity can be controlled to create a dedicated room. Within these environments, oxygen levels are increased while pollutants such as carbon dioxide, carbon monoxide and nitrogen dioxide



Dr. Craig Wenborg

are reduced. Filtration all but eliminates suspended particulates. Oxygenated clean air technology represents an added club value in air pollution regions of the country.

The health club benefits when a service will help humans burn more calories for each minute of exercise. People talk. Promoting EWOT and oxygenated studio will bring in new members while promoting retention of existing membership. The club benefits from satisfied and motivated customers.

The health club of the future will provide oxygenated air for club member use. Through controlling access to this air, the club will boost their bottom line. This service can be provided without adding new cardiovascular equipment or increased employee expense. Members will be attracted to clubs which provide this service. Clients from the de-conditioned to the elite, benefit from the use of oxygenated air for exercise.

(Dr. Craig Wenborg has a twenty-eight year history of private practice. He is a Diplomat of the American Board of Chiropractic Orthopedists and exclusive importer of Oxyvital products. The Oxyvital product line includes equipment for EWOT, air purification, oxygenated studio and oxygen skin care. Dr. Wenborg has studied extensively on performance enhancement through supplemental oxygen. He was the first to develop the open oxygen delivery device called the Exercise Cannula. For further information visit www.OxyvitalUSA.com or call Dr. Wenborg at 1-800-528-1026.)

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Single User and Large Health Club Systems Available. Contact: Dr. Craig Wenborg • Oxyvital USA • 1-800-528-1026 • www.oxyvitalusa.com

ICAA and AOTA Team Up

VANCOUVER, BC - Two professional Associations that champion health, well-being and full lives for adults 50 and older have created a partnership to advance health and wellness services offered to this age group. The International Council on Active Aging (ICAA) is a Vancouver-based Association that supports professionals who develop wellness and fitness facilities and services for the older-adult market. ICAA has joined forces with the American Occupational Therapy Association (AOTA), headquartered in Bethesda, Maryland, the national professional Association for occupational therapists, occupational therapy assistants, and occupational therapy students in the United States. Through this partnership, ICAA and AOTA will educate each other's members in their respective areas of expertise by sharing education, information and resources. ICAA will help to improve knowledge about older-adult wellness among AOTA members, while AOTA will help to educate ICAA members about occupational therapy and its role in the emerging discipline of older-adult wellness. The associations will also encourage their members to work more cooperatively, thereby enhancing the services these professionals offer their aging clients.

Active aging and occupational therapy are complementary. Active aging can be summed up in the phrase "engaged in life." Active aging describes individuals living life as fully as possible within the six dimensions of wellness (emotional, vocational, physical, spiritual, intellectual and social), regardless of socioeconomic status or health conditions. Occupational therapy also helps people in living life to its fullest, assisting those who have had or are at risk for developing an illness, injury, disease, activity limitation, or other condition that impedes participation in everyday life activities.

"We are delighted to announce this educational partnership with AOTA," says Colin Milner, ICAA's Founder and CEO. "The ability to carry out activities of daily living is vital to independence, wellness and quality of life for millions of adults in their 50's and beyond. By learning from AOTA and AOTA members about occupational therapy, and how it benefits older-adult health and well-being, ICAA members will gain valuable options to offer their clients. Likewise, AOTA members will discover how the multidimensional wellness approaches promoted by ICAA and ICAA members enhance vitality and life engagement for older adults. Through this partnership, ICAA and AOTA members will advance the services they offer older adults, ensuring that their clients gain even more benefit from their efforts."

Frederick P. Somers,

the Executive Director of AOTA, observes "This partnership with ICAA marks the continuation of a commitment AOTA has made to develop occupational therapy practice in the area of health and wellness.

ICAA's mission and membership provide excellent leadership in health and wellness, particularly with society's aging population, here in the US and throughout the world and its concept of active aging is very similar

to AOTA's concept of productive aging. As a result, our mutual goals and strategies with this population are well-aligned. In addition, partnering with ICAA helps AOTA meet objectives of our Centennial

Vision, which focus on positioning the profession to meet society's emerging health and participation needs. One of these needs is health and wellness, particularly in our ever-growing aging population."



60% of new club members come from referrals!*

*Reports from club industry sources.

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Who Has the Advantage?

Part 1 in a Series of 3 on Building Value In Independent Clubs

By: Jeffrey Keller, M.S., M.B.A.

Get in a room these days with a half dozen or more independent club owners and many will sound off on the financial advantage that large commercial health club companies have over the little guy. There will be a lot of whining about who just moved into the neighborhood and is stealing all of the members. Though this may be true in some cases, it doesn't necessarily mean that the large commercial health club companies consistently have the upper hand when it comes to competing with smaller independent clubs. To understand why, an independent owner first needs to understand the strengths and weaknesses of both, and when those strengths and weaknesses translate into an advantage for

one or the other. It's not as clear-cut as many people may think.

Some Basics

Almost every business student learns about SWOT analysis. For those who may know it by a different name, it's an acronym for **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats. Here, we're only focusing on strengths and weaknesses. These are the basics of basics for being a competitive business, but many club owners in the club industry forget to use and apply the information that can come from such an analysis. Case in point, let's examine the inherent strengths and weaknesses of the large commercial health club companies:

Adjusting to the Economy

Now that we've established the stereotypical large commercial club company and the same on the independent club side, how can independents use this to their advantage? The secret is easy. Just pay attention to the economy.

As the economic weather changes, some advantages change. During fair to good economic times, large commercial companies have what would appear a distinct advantage. They have investments pouring in for capital improvement, they have good revenue production because customers are spending, they are expanding their presence through new facilities and their buying power allows them to leverage their size to get great deals from suppliers.

Trouble is, these advantages wither as economic trends change. Investment may dry up, incoming revenue slows down, expansion gets put on hold and their cost cutting through good supply deals have already been taken advantage of, so there's usually no more deals to be had. To continue making a profit, cost reductions have to be deep and sometimes detrimental in the long run, and revenue growth is achieved through discounts, discounts, and discounts. Discounting is never a good way to continuing profit. Racing to see who can offer the cheapest membership does no one in the industry any good. So rest assured, during economic downturns, larger commercial club companies don't have the advantage.

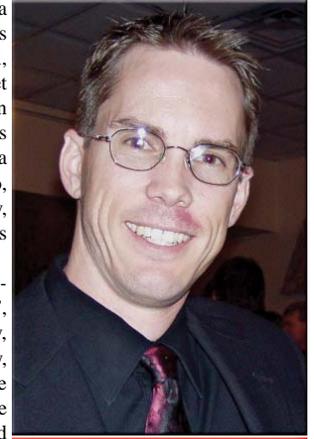
Independent clubs, however, have a distinct characteristic that allows them to compete aggressively in less than the stereotypically ideal economic climate. It may not seem that way when hard times are upon an independent club, but that advantage is there. Independent clubs have the advantage of unbelievable flexibility in operation. They can change directions and go a different way without having to communicate a standardized message through the entire company to clubs on both coasts of the United States or even internationally. On top of that, independent clubs only have

to react to *one* market, whereas a large commercial company has to work with what the national, or maybe international, market dictates because they operate in many places. A change that seems logical in one market can be a colossal mistake in another. So, for a large commercial company, adjusting takes time, if it happens at all.

Better still, this *independent advantage* is "sustainable", as business professors would say, and can be used in any economy, not just in bad ones. As the economy rebounds and a large commercial company's supposed advantages return, an independent club still has the ability to make very quick changes to the local environment. With good strategy and management, as well as paying attention to the local market, an independent can rapidly chip away at any perceived advantage a large commercial company appears to have. Investors are pouring money into a commercial company, so an independent should be setting aside money from joining fees in much the same way. Revenue is up because customers are spending. Well, if an independent is doing things right, revenue should be up too. Large commercial companies are using their size to get supplies cheaper, so independents should be developing good relationships with their suppliers to get good deals as well. All of this is achievable through an independent's ability to make quick decisions to adjust to what suits that particular situation best. That's a pretty nice advantage.

So what does all this mean?

All of this may seem like a lot of business-ese and rah-rah, sis boom bah, but make no mistake, good business executives at the large commercial companies know that independent clubs have this ability. They're banking on independent clubs not recognizing their capabilities and potential. In truth, independents should find this somewhat insulting. They're looked upon like the little kid brother who hasn't grown up yet. Trouble is, little kid brother has a wicked spin move that is guaranteed to score every time. If only he would remember he had



Jeffrey Keller

the move, the scoreboard would be lit up. Instead, that little kid keeps trying to play the game the same way the bigger kids are playing it rather than playing it his way.

After reading this, it should be apparent that as an independent club, you can make moves on a drop of a dime. But, this doesn't mean much if you don't have a strategy to take advantage of it. That brings us back to the basis for this series. This series is founded in the notion that independents have the flexibility to deliver what a local market considers *value*. In the next part of this series, we're going to look deeper into what exactly *value* is, what independents can do to *create value* and how the innate characteristic of a flexible operation found in independent clubs makes creating value possible.

(Jeffrey Keller; M.S., M.B.A. is the President and Founder of The Independent Health Club Networking Association (IHCNA.org), an organization focused on helping independent health clubs succeed. He is also the General Manager of Eagle Pointe Recreation Complex in Mont Belvieu, Texas. With 14 years of experience in club operations, corporate fitness, clinical rehabilitation, and academic research, he is widely respected for his unique perspective on club management. He may be reached at: Jeffrey_Keller@msn.com)

Strengths and Weaknesses of Large Commercial Clubs

Strengths:

1. Economy of size
2. Brand Recognition
3. Capital Investment

Weaknesses:

1. Company-wide standardization procedures
2. Limited local authority for decisions
3. Time-consuming organizational structures
4. Corporate mission disconnect at lower tiers
5. High organizational management overhead
6. Some compete on price-point rather than on value

When closely examining these strengths and weaknesses, it becomes apparent that large commercial health club companies are financially strong, hopefully,

but somewhat slow moving organizations. Now let's do a similar analysis of a stereotypical independent club:

Strengths and Weaknesses of Independent Health Clubs

Strengths:

1. Quick to react to market pressures
2. Localized, definitive authority for decisions
3. Total staff engagement down to the lowest tiers
4. Rapidly adaptable service delivery and design

Weakness:

1. Single (or limited) source of capital investment
2. Limited leverage over suppliers
3. Volatile brand stability

Again, the analysis is pretty straightforward. Independent clubs are agile, focused organizations but with variable financial stability. It's almost as if one is the antithesis of the other, but this isn't entirely the case. Depending upon the financial environment, the weaknesses

of one can become strengths for the other. All a good competitor needs to do is to utilize those advantages or exploit its strengths during given economic conditions to more successfully compete. It sounds like common sense, but it's the basics of business that most seem to forget.

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Gary Borgatede, GM - Elmwood Fitness Center

referrals

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Bill Deitz, GM - Auburn Racquet & Fitness Club

retention

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Mike Revere, Manager - Sentara Hampton Health and Fitness Center

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John McCarthy, former Executive Director of IHRSA

THE HIDDEN AGENDA

By: Dr. Jack Scammahorn and
 Jim Scammahorn

Foreword: This is the first article of a three-part series produced by *Symmetrical Fitness, LLC*.

Actually, the three parts will present a story -a true story- about how *Symmetrical Fitness* was born. History can be boring, but what we will present to you will be about people, just like the prospective members you may have missed selling a membership to. If you ever joined a fitness center before you became involved in this industry, you probably have experienced much, if not all, of what happened in our story.

Body Symmetry: The Hidden Agenda for Fitness Club Clients

We all struggle with the question, "Just how do I look?" Often, we settle on a furtive self-analysis, deliberately passing by the mirror and taking a quick glance, unconsciously avoiding looking too critically at the trouble spots, and ultimately, hoping to pass quietly by that ego deflating observation screaming, "Is that really me?"

How we appear to ourselves and to others is important. If we become hesitant



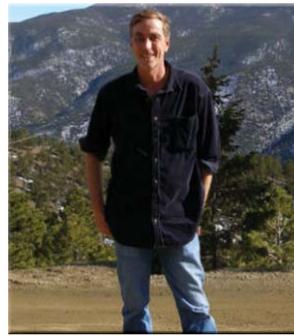
Dr. Jack Scammahorn

to be totally objective, and who doesn't, then we find ourselves starting to buy clothes which will serve to reshape (hide) our body into some perceived approvability. All too often, our shape determines how we are perceived by others. Taking that concept to another level, how many of us actually quote the doctor's height and weight chart to our friends who casually compliment our appearance? No one I know does that; only my doctor cares about where I fall on his charts. Instead, we are constantly bombarded by images from magazines, infomercials, clothing store advertisements, just to mention a few, about what we should look like.

At some point, the average person will either give up, start exercising at home (and how long does that last?) or take

the gigantic step toward visiting a nearby gym or fitness center to see if they can work a small miracle. And when we make that trip to our local fitness center, we find ourselves privately praying that someone will take charge and move us quickly toward a program designed to restore us to physical respectability. Unfortunately, the well-meaning fitness center staff is trained to ask each one of us essential questions about what the client may be looking for as far as personal goals. Rest assured, we are not going to find a sales person eager to tell us we look fat. Common courtesy prevents that, and besides, brutal candor is often not good for business. So face it, the well-trained, athletic-looking sales staff will attempt to guide us to evaluate ourselves. Most people are not prepared for that. Personally, I think there is a better way.

Why not approach each individual desiring to alter the way they look by allowing them to see what they can look like, determine where they are now, in terms of inches, and designing an exercise program tailored to move them to their goal dimensions as quickly as possible? This can be done, but instead, we generally encounter the following scenario: **Typical Scenario:** When someone comes into a fitness center, the standard question asked of the



Jim Scammahorn

visitor is: "Why are you interested in joining a fitness center?" The usual follow-up question is: "What are your main goals in joining our club?"

If the client is a female, the answer almost always revolves around weight loss -- to get smaller/lighter, typically focused on the thigh/hip area. If the client is male, usually he wants to put on some muscle or to flatten his stomach, often both.

The next thing that usually follows is convincing the client your particular fitness center has the equipment and programs designed to help him or her reach their goals quickly. Once the client joins your fitness center, you probably have an instructor to help guide the new member through a program in which they are interested and to demonstrate any equipment the client may

chose to use. Determining and attempting to achieve their true goals is often left primarily to the new member.

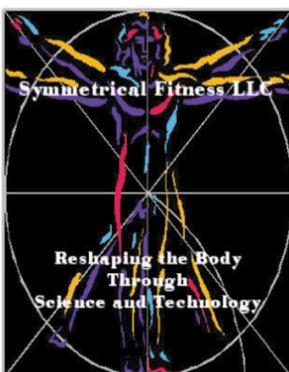
Does this scenario sound familiar? Fitness center employees are, for the most part, trained to focus on what the client wants to do when they decide to come to an exercise facility. Once a client is started on a program, they are sometimes left to somehow achieve their goals with little understanding of what those goals really should be. Unfortunately, for both the client and the sales associate, the real issues are not being addressed.

The major concern of most healthy clients is focused on the reflection in the mirror; usually the client's goal, desire, and/or feeling is to change the way they look, to "looking good." But what does "looking good" really mean?

Stay tuned to our next article: A TRUE STORY

(Jack Scammahorn's education is concentrated in Physical Education, Psychology and Social Sciences. Jack has worked extensively in the commercial fitness center sector, having owned and operated several fitness centers and has worked administratively with a large fitness center corporation.

Jim Scammahorn's degree is concentrated in physics, science, and math and his vocational knowledge and experience is in computer programming. Contact Jack at: jack@symmetricalfitness.com or by calling: 913-708-0550)



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Jay Cutter Mr. "O"

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Use a Proven System in Your Membership Sales Presentation for Better Results

By: Jim Thomas

Regardless of the position you hold in your health club or what your job title is... the truth is... you are in sales. It is my opinion that *everyone is in sales*. The success of your health club is directly proportional to your ability to sell and promote health club memberships. The common theme I see in health clubs who fail to meet their potential is a failure to properly understand sales and marketing.

I talk with many club owners and managers who think that selling is manipulation, which by the way, is not true. *Selling is a strategic influence with your guest*. That's it. To move your health club guest closer to what they want or need (benefits and results), you would be well advised to follow a proven system on your sales presentation. Don't leave it to guess work or fly by the seat of your pants.

I have been training and teaching health clubs a systematic

membership sales presentation for many years. This approach has allowed many people who never thought of themselves as salespeople to have significant success.

I share this with you because I see many people in the health club industry who have incredible potential but are not living up to that potential. They seem to settle for "getting by." Or, simply "selling" to those who are interested (which really isn't selling, it's more order-taking).

The fact is, with proper health club sales training and a willingness to learn and be taught something new, you can be incredibly successful in membership sales no matter what position you hold in your club. You have to be willing to step out of your comfort zone sometimes.

In health club sales, there are four primary areas to address:

1. Gain Attention
2. Attract Interest
3. Build Desire
4. Take Action

Before your guest will make a decision to join your health club, you absolutely, positively must get their attention. From there, you need to find a way to peak their interest.

Each step links to the next, and it is important to follow the sequence in order to increase your closing rate. It is more difficult to get Desire and Action if you do not gain Attention or generate Interest.

Another aspect of a systematic sales approach is to script out your sales process. It is not about being a mechanical robot; rather, it is about making sure you are thorough in using the steps of your selling system.

Following a sequence and scripts help you develop a systematic sales approach and your unnatural behavior now becomes a natural behavior. Before you know it, the system will become second nature to you.

Before you try to sell anything in your health club,

you need to know what the guest wants and needs. You do this by asking questions and by the effective use of a Needs Analysis. I suggest that you ask questions throughout the tour and the entire sales process. Depending on what type of membership you are selling or who you are selling it to, the sales cycle may be very short or it could be something that happens over a period of time.

To generate Interest, show your guest how you can get them the results they are looking for. To create Desire, know the questions your guest's will ask and answer the question according to the guest's communication style. One question could be answered three or four different ways depending on who your guest is and how they communicate.

When value has been established and your guest will truly benefit, as a professional, we have an *obligation* to help them to say, "Yes." We also have an *obligation* not to sell a membership to someone who really doesn't need it or will not benefit from it.



Jim Thomas

True professionals acknowledge they are in the health club business for the long haul. It is not a matter of simply selling to sell. It is knowing... that your health club and the services your club provides, can and will, make a difference in the lives of people you come in contact with. It's all about a strategic influence. Now, go systemize your sales process.

(Jim Thomas is the Founder and President of Fitness Management & Consulting, U.S.A. Jim may be reached at: (800) 929 - 2898.)

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● **Who is the National Fitness Business Alliance?**

National Fitness Business Alliance was created with help from independent club owners who were looking for information and ideas that will help them reach financial success. The National Fitness Business Alliance believes you can make money ethically without the negative sales images. We can attract new members without offensive ads. We can make money by charging a fair price for the product we sell. Most importantly, we can learn to compete as independent club owners and operators against any club or chain in the country.

● **How our workshops can help you!**

The National Fitness Business Alliance and IHRSA have formed a partnership along with our elite team of industry leaders, to provide owners a variety of information, tools and products that will provide you financial success for today and the future. We can help you with almost any problem you encounter in your fitness business. Our workshops features an exhibitor showcase that will provide you the tools to overcome your staffing issues and network with other owners and managers who experience the same difficulties as you.

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*National Fitness Business Alliance reserves the right to change dates and locations as availability dictates. Workshop presenters are subject to change based on workshop subjects and dates.

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Programming Tip of the Month:

Summer Programming For Retention - Profitable Programming Ideas for YOU

By: Sandy Coffman

Each new season of the year should include a programming highlight in your club that focuses on participation and retention. Summer is certainly a good example of this. Long awaited warm weather, vacation plans and less scheduled lifestyles often result in the best of members putting their club workouts on the back burner. Unfortunately, even with the best intentions, many will get out of the habit of going to the club and not return in the fall.

This doesn't have to happen! Innovative, specialty programs will ensure continued participation and enthusiasm from your members. You need to offer special, exclusive programs that are easy to enter, fun to do, require a minimum level of commitment and offer a "big finish." "Special and exclusive" means that it is only offered in the sum-

mer months. A good example of this is *The Cruisin' Campaign*. The goal is to keep your members interested in your club. The incentive is the chance to win a four day cruise.

Here are just a few things to think about when putting the program together:

1. *The Cruisin' Campaign* is a full-club program, so all the activity areas will have participation opportunities.

2. *The Cruisin' Campaign* should be open to members only. It is specifically important to get new members active and to keep existing members active.

3. A drawing for the winner of *The Cruisin' Campaign* will be done at a party at the end of the program.

4. A couple of examples of eligible workouts to count towards the campaign include (a) a fitness introductory class, i.e., core cardio class, (b) an introductory racquetball or tennis

lesson.

5. Fun, miscellaneous activities will earn participants the opportunity of their names being in the drawing more times - as well as a few laughs- such as having to wear a club T-shirt (with logo) during a workout.

6. A personal *Cruisin'* Campaign card issued for each participant and followed up by a staff member.

Tips for Success and

Points to Consider:

- Get a cruise donated by a travel agency, or at the very least, negotiate a trade for one.

- Promotions and marketing efforts must start no less than three weeks before the beginning of the program.

- Door prizes other than the grand prize (cruise) should be included in the party.

- If you charge an entry fee for the program, have *Cruisin'* Campaign T-shirts made up for the participants. Have the staff wear the shirts for the three weeks before the start of the program.

- If the program is run successfully, *The Cruisin'* Campaign will be an annual event that members will talk about and look forward to year after year (summer after summer).

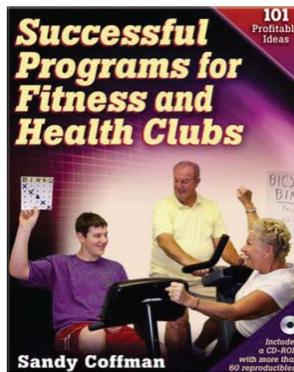
Remember, the goal of programming is retention. Your summer programs should focus on retention rather than writing over attrition. It's all about the



Sandy Coffman

programs, the programmers and making it fun!

(To order Sandy's great new programming book: "*Successful Programs for Fitness and Health Clubs*" 101 Profitable Ideas go to: www.humankinetics.com Contact Sandy: SLCoffman@aol.com or www.sandycoffman.com)



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Lifestyle Family Fitness Continues to Combat Teen Obesity Epidemic

Free Memberships Introduce Kids to Fitness for Healthy Summer, Healthy Life

ST. PETERSBURG, Florida. - Lifestyle Family Fitness (Lifestyle) announced the continuation of its "Free Teen Summer Membership" program beginning May 15 at its 56 locations in Florida, Ohio, Indiana and North Carolina. Teenagers age 12 to 17 can sign up for a free two-month membership between May 15 and August 15. This program is in its third year in the Florida market, its second year in the North Carolina and Ohio markets and will debut this year in the Indianapolis market.

Interested teens must visit their nearest Lifestyle Center with a parent or legal guardian to sign up. After registration, teen members can visit their Lifestyle locations, unaccompanied, seven days per week until 5 PM. In addition to access to the clubs' state-of-the-art strength training equipment and cardio machines, they are encouraged to participate in group fitness classes.

National research shows that teen obesity can lead to serious medical consequences such as heart disease, diabetes,

sleep apnea and other problems.

Geoff Dyer, founder of Lifestyle Family Fitness, was an overweight teen and understands the problems caused by obesity. He would have loved an opportunity to work out as a teenager.

"By inviting teens to work out for free, we can help them engage in a healthy lifestyle and establish a life-long routine that includes fitness," says Dyer. "Self esteem in overweight teens can be quickly recaptured when they start exercising and feeling good about their appearances again."

Among the many benefits of physical activity are higher levels of self-confidence and lower stress and anxiety

levels. Studies have shown that S.A.T. scores are higher in teens involved in regular physical activity. In fact, because weight problems lead to other medical issues, overweight teens have higher school absentee rates, affecting academic performance.

Over the past decade, obesity rates among teenagers have skyrocketed. According to the CDC's National Health and Nutrition Examination Survey from 2003-04, 17.4 percent of adolescents in the United States are considered obese. Forty years prior, only 4.6 percent of teens were obese and that can be linked to lifestyle habits including increased portion sizes, consuming sugary beverages,

lack of exercise and increased television viewing and gaming.

To learn more about the free teen summer membership program, visit www.lff.com or call 1-800-LIFESTEP for the closest Lifestyle Family Fitness location. Schools and teen organizations that would like to distribute information on the free membership to teens can contact Kate Rahman at 727-456-3100 ext. 5018.



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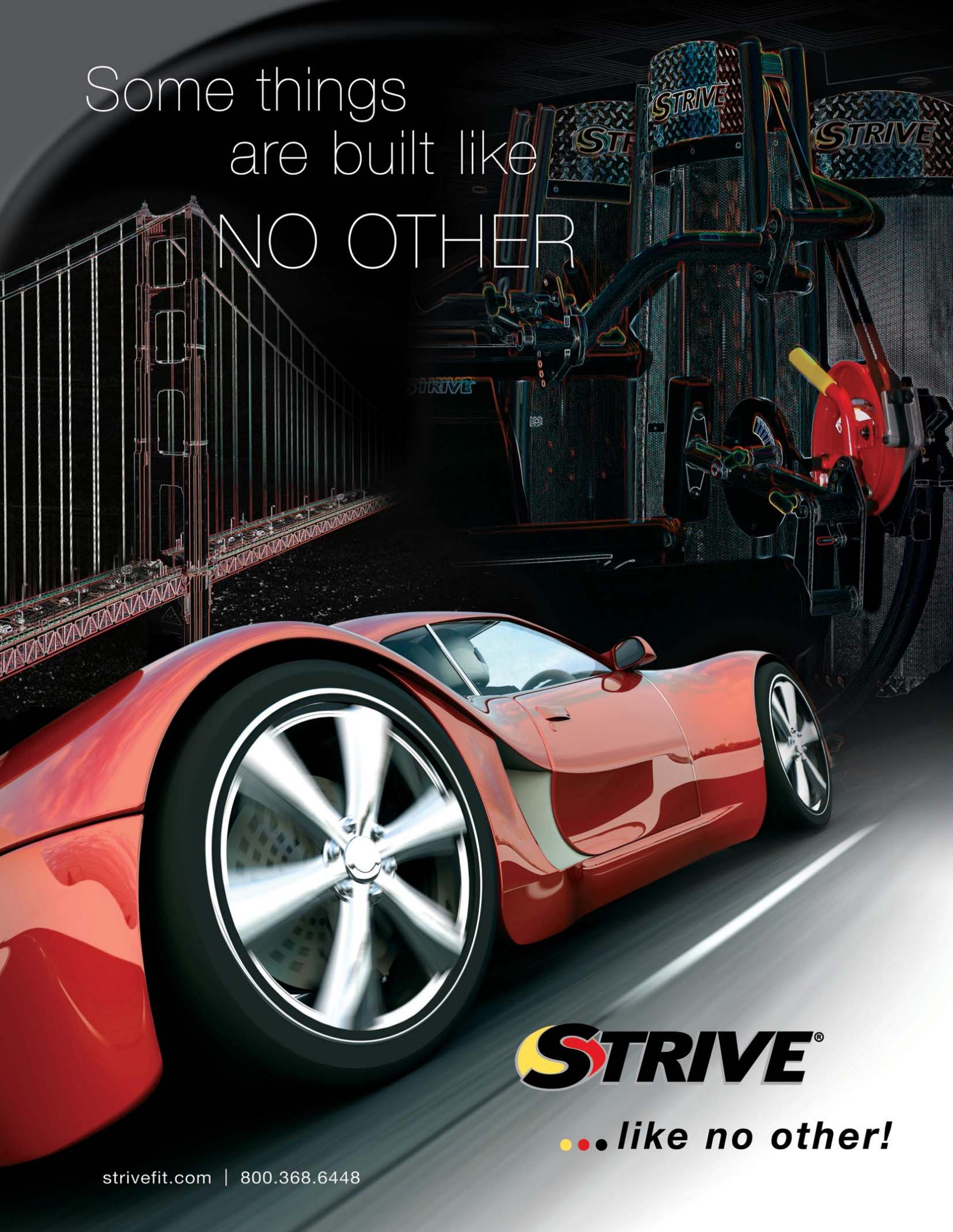
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