

Norm Cates'

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Cover Story Classics:

Rodney Steven II - A Rapidly Budding Club Business Titan Powers Ahead!



JUNE 2025

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Cover Story Classics:

Rodney Steven II - A Rapidly Budding Club Business Titan Powers Ahead!

By: Norm Cates

Publisher's Note: Continuing on with our *Cover Story Classics* series, we are aware the first few have featured those no longer with us. But, like the entire point of this series, we believe that the lessons of the past create the map of the future. This month, bringing that to you live and in color is our previous cover story and update interview with **Rodney Steven II**, *President and Co-Owner of Genesis Health Clubs*.

When we first featured Rodney, Genesis was at ten clubs, but they already had an incredible history/story. Fast forward to now, Genesis now operates 70+ clubs across Kansas, Missouri, Nebraska, Colorado, Oklahoma, Iowa, Kentucky and Florida. And, they have purchased and

adapted two legendary brands into theirs: *Atlantic Club* and the *Saw Mill Clubs*.

Setting all the growth aside, Rodney is also very involved with the advocacy of the industry, which benefits everyone! To that, we say, "Hooray," and "Thank You!"

■ ■ ■

This industry is filled with great success stories. That's one of many reasons that I just love my job. I love it because I'm able to really get in close touch with our Cover Story subjects and dig in with them to provide all of you with a monthly dose of vision, motivation and new ideas. These one-on-one interviews, usually conducted by phone, provide me with a vast cache

of information. This information, if properly applied by you, the reader and club owner/operator, will help your business be more successful, day in and day out.

That's the **Mission of Club Insider!** And, this month, we celebrate 19 years and 7 months of publication (*now 30+ years*) by sharing the amazing success story of **Rodney Steven II**, the 40-year old *President and Co-owner of ten Genesis Health Clubs in Kansas (now 70+)*.

This cover story is about one of the top industry talents you will find anywhere, Rodney Steven. He is an articulate, intelligent warrior with an amazing future. Frankly, I would not be at all surprised to see him in the State House as *Governor of Kansas* some day. I say that because of (See **Rodney Steven II** Page 10)



Rodney Steven II

CR Fitness Holdings Opens 85th Crunch Location with State-of-the-Art Facility in Gainesville, Georgia

GAINESVILLE, GA - *CR Fitness Holdings*, the nation's fastest-growing franchisee of Crunch Fitness, announces the grand opening of their upcoming location, Crunch Gainesville, Georgia, its 14th location in the Atlanta metropolitan surrounding area. This state-of-the-art, brand new 40,158-square-foot fitness center represents a \$5 million investment and is the first Crunch Fitness in the city of Gainesville, Georgia.

Crunch Gainesville will redefine what a fitness destination can be, blending cutting-edge equipment with an atmosphere that's as motivating as it is fun. Crunch Gainesville is a brand-new 3.0 location with a modern design that



will provide a complete, upscale fitness experience with a focus on quality service. The center features top-of-the-line cardio and strength equipment including Olympic squat racks, a group fitness studio, Infrared

(See **Crunch** Page 6)

World Gym International Signs Master Franchise Agreement for Brazil

TAICHUNG, TAIWAN - *World Gym International (WGI)*, the franchise arm of World Gym Corporation, has entered into a Master Franchise Agreement (MFA) with *Flag Holding LTDA* to significantly expand its footprint in Brazil to 50 World Gym locations within five years.

Flag Holding is led by **CEO, Flavia Almeida**, Co-owner and Operator of 17 World Gym locations in Goiás and the Federal District of Brasília. Since opening the first World Gym in Brasília in 2012, Almeida has established the brand as the premier fitness chain, offering the largest selection of strength and cardio equipment.

The MFA grants Flag Holding



LTDA exclusive rights to expand World Gym into Brazil's 25 other states. This (See **World Gym** Page 6)

Inside the Insider: Edition #378

- Customer Service at its WORST! - By: Frank Guengerich
- Are We Really as Good as We Think We Are? - By: Thomas Plummer
- The 15-Minute Daily CEO Routines for Gym Owners: Small Habits That Lead to Big Growth - By: Jim Thomas
- Kale and Exercise: The Recipe for Results - By: Jeffrey Pinkerton
- Bay Club Continues Investment Sprint with the Acquisition of 425 Fitness
- And, of Course, *Norm's Notes*

Norm's Notes

■ **Hello Everybody!** This is your **Club Insider Founder and Tribal Leader Since 1993** checking in with our **378th monthly edition of this 30+ year running club business publication** I refer to as: **A Labor of Love!** I'm very thankful that you've tuned in again for this iteration of **Norm's Notes**, as I proceed on my keyboard with my longtime habit of **"Telling-It-Like-It-Is!"** I'm really happy that you're reading this edition, and I want to **THANK YOU ALL** for sticking with us every month! As usual, we have a bunch of health and fitness club business news, **so please read on!**

■ **Is AMERICA a GREAT COUNTRY, or WHAT!?** Hmm... hmm... hmm! And, as usual, let me start these **Norm's Notes** with my normal monthly salutation to you all: **GOD BLESS AMERICA and GOD BLESS YOU, YOUR FAMILY and YOUR BUSINESS!!!**

■ This **Note** is from **MIKE GOSHINSKI**, the *Health & Fitness Association Vice President of Government Affairs*:

The *Health & Fitness Association* has submitted formal comments to the *U.S. Department of Commerce* opposing

proposals to include fitness equipment, such as dumbbells, kettlebells and resistance machines, under *Section 232 Tariffs on Derivative Steel Products*.

The request, filed by outside petitioners, attempts to classify commonly used fitness tools as national security threats to justify new tariffs. HFA's comments forcefully rebut that claim and outline the legal, economic and public health case against inclusion. If approved, these tariffs would:

■ **Increase costs** for fitness facilities of all types and sizes;

■ **Raise barriers to access** for low-cost strength training, especially in underserved communities;

■ **Disrupt reinvestment** for thousands of small businesses and fitness franchises;

■ **Undermine federal health goals**, including those outlined in the Administration's *Make America Healthy Again* report;

The proposal comes amid growing concern about a return to aggressive trade

policy when *President Trump* signed a proclamation increasing the *Section 232* Tariff rate on steel and aluminum articles and their respective derivative products from 25% to 50%.

The Bottom Line: Fitness equipment is essential to physical and mental health, not a national security risk. HFA is standing up for the industry and working to ensure this harmful proposal is rejected.

What's Next: The Department of Commerce is now reviewing public comments. A decision timeline has not been announced, but HFA will remain actively engaged throughout the process, meeting with policymakers, reinforcing industry opposition, and preparing for potential next steps.

■ In other news, **PHIT** was cut from the Senate version of the budget bill.

■ HFA has signed an agreement with **HANS MUENCH**, former *Europe Director for IHRSA*, to serve as *Ambassador for the 2025 HFA European Congress*, which will occur October 2 - 4 in Amsterdam.

■ Congratulations to our friend, **GEOFF**



Norm Cates

DYER, and his partners at *CR Fitness Holdings*, as they're on track to have **100 locations nationwide by 2026!** With more than 150 years of combined industry experience, the *CR Team*, led by Geoff Dyer, and his partners, **VINCE JULIEN**, **JEFF DOTSON** and **TONY SCRIMALE**, currently have **85** locations across Florida, Georgia, North Carolina, Texas and Tennessee, now expanding into Arizona.

(See *Norm's Notes* Page 6)

About Club Insider

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Thanks and Appreciation

At *Club Insider*, we are excited to be in our **32nd Year** of this home-based health and fitness club trade publication! The thought that this publication was *founded to serve an industry I truly love*, and so that *I could become a Mister Mom for my son, Justin*, is still *intriguing and amazing* to us. So, I wish to extend my most sincere **Thanks and Appreciation** to everyone who has made this amazing 30+ year run possible.

Very sincere *Thanks and Appreciation* go to **Rick Caro**, the late **Dr. Gerry Faust** and the **Faust Executive Roundtable #1** for helping me decide in 1993 what my home-based business would be. *Thanks and Appreciation* to my long-time friends, **Ron Hudspeth** and **Cathy Miller**, formerly of **Atlanta's Hudspeth Report** for the tremendous assistance they provided. *Thanks and Appreciation* to all of the folks at **Walton Press** in Monroe, Georgia. They did an absolutely excellent job for us all these years and printed every one of our monthly printed editions! And, of course, *Thanks and Appreciation* to the **United States Postal Service** for sending those editions to our readers!

Now, as we have gone all digital, *Thanks and Appreciation* to all of our **READERS**. Sincere *Thanks and Appreciation* to our **Club Insider Advertisers**, past and present, for their kind and dedicated support of this publication. *Thanks and Appreciation* to all of our **Club Insider Contributing Authors**, past and present. *Thanks and Appreciation* to the **Health & Fitness Association** for all it does for all of us. And, sincere *Thanks and Appreciation* to my son, **Justin**, our *Publisher*, who is a truly great business partner. You name it and Justin does it each and every month!

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

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

Norm Cates, Jr.



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...Norm's Notes

continued from page 4

FOLKS, STAY TUNED as we watch Geoff and his team continue to grow CR Fitness Holdings! See the **Press Release** on **Page #3**.

■ **Equinox**, an authority in high-performance luxury lifestyle, announces the appointment of **BINDU SHAH** as **Chief Marketing Officer** and **Chief Digital Officer**. She is responsible for leading the development and execution of the brand's comprehensive marketing and digital strategy, with a focus on deepening brand awareness and driving both member acquisition and retention through seamlessly integrated experiences.

■ **Burn Boot Camp** is proud to announce the success of its ninth annual "Be Their Muscle" fundraising campaign for the **Muscular Dystrophy Association (MDA)**. Burn Nation has raised **\$465,500** to date in vital support for research, care, advocacy and MDA Summer Camp, an achievement made possible by the passion of our Members, Franchise Partners, Trainers and team members.

■ **Peloton Interactive, Inc.** has appointed **MEGAN IMBRES** to its leadership team as **Chief Marketing Officer**. The company has also created a **Chief Technology Officer** role, promoting **FRANCIS SHANAHAN**, its **Senior Vice President of Connected Fitness Software**, to the position. Together, the appointments represent a commitment

to creative and technical innovation to empower Peloton Members to live fit, strong, long and happy.

■ In my hometown, **Pickleball Kingdom**, the world's largest indoor pickleball entity, announces its latest facility in Austell, Georgia. The state-of-the-art facility will span approximately 25,000 square feet and feature ten professional-grade indoor courts. It is targeting an opening in the Winter of 2025.

"We are excited to have Nithi and Usha Anand spearheading our expansion in Georgia," said **ACE RODRIGUES**, **Founder and CEO of Pickleball Kingdom**. "Their leadership and vision align perfectly with our mission of making pickleball accessible, social and fun for all. Austell is a growing community with a strong appetite for active lifestyles, and this development will bring a premier indoor pickleball experience to local players and families."

The Austell facility will offer:

■ **State-of-the-Art Indoor Courts:** Engineered to provide the best playing conditions, these courts combine outdoor court surfaces with indoor benefits for year-round play.

■ **Professional Coaching and Clinics:** Programs designed for all skill levels, from beginners to advanced players.

■ **Youth Programs:** Inspiring the next generation to embrace and enjoy the sport.

with this gym location in Gainesville, Georgia" says **Tony Scrimale**, **CEO of CR Fitness Holdings**. "This 3.0 location takes everything our members love about Crunch to the next level, with premium amenities, the latest equipment, and a fun, welcoming atmosphere that caters to everyone."

CR Fitness Holdings is on track to operate 100 locations nationwide by 2026. With more than 150 years of combined industry experience, the team, led by **Vince Julien, Geoff Dyer, Jeff Dotson** and **Tony Scrimale**, currently operates 85 locations across Florida, Georgia, North Carolina, Texas and Tennessee, with plans to expand into Arizona.

See the **Crunch Ad** on **Page #2**.

...Crunch

continued from page 3

sauna, hot studio for yoga and Pilates, boxing classes, performance turf, dry saunas, HydroMassage, tanning and the innovative HIITZon. Spacious, modern locker rooms complete the experience, providing everything needed for a smooth and comfortable visit. Whether you're a beginner looking for Personal Training or a seasoned athlete ready for Group Fitness classes, Crunch Gainesville accommodates a variety of fitness goals in a motivating, engaging and welcoming environment for the entire community.

"We're excited to expand our footprint to 14 clubs in the Atlanta area

...World Gym

continued from page 3

strategic partnership will position Brazil as the third largest World Gym market, following Taiwan and Australia, and greatly enhancing World Gym's presence in South America.

"We are thrilled to partner with Flag Holding LTDA and Flavia Almeida, whose vision and proven success in Goiás make them the ideal partner to drive World Gym's growth across Brazil," said **John Caraccio**, **CEO of World Gym International**. "This

agreement marks a significant milestone in our global expansion strategy, bringing our world-class fitness offerings to more communities in South America."

Flavia Almeida, CEO of Flag Holding, added, "We have received strong interest from potential franchisees across Brazil, who desire to operate the iconic World Gym brand with its proven systems and IT support. We have several franchise agreements pending completion at this time."

See the **World Gym Ad** on **Page #13**.

■ **Leagues and Tournaments:** Organized for players seeking casual and competitive play opportunities.

■ **Community and Corporate Events:** Building local connections through engaging pickleball events.

"We are delighted to bring Pickleball Kingdom to Austell and contribute to the development of a thriving pickleball community in this area," said Nithi and Usha Anand, franchisees of Pickleball Kingdom. "Our vision is to create a welcoming space where individuals can engage in this exciting sport, improve their fitness, and connect with others who share a passion for pickleball."

"Nithi and Usha Anand share our vision for growing pickleball and fostering strong, connected communities," said **ROB STREETT**, **President and Chief Global Officer of Pickleball Kingdom**. "Their passion for providing top-quality experiences and expanding access to the sport makes them the perfect partners to lead Pickleball Kingdom's development across Georgia."

■ Way back in 1967, my college football team, **N.C. State** was ranked **#3 in the USA!** During that season, I played against **FRANK QUAYLE, III** of *The University of Virginia*. Recently, the *Virginia Athletics Foundation* announced it has secured a **\$5 million** commitment to Virginia Athletics from the family of record-breaking football running back, lacrosse player, longtime radio analyst, mentor, philanthropist and community pillar: **FRANK QUAYLE, III!**

The gift will support Virginia Athletics by advancing academic excellence, championship programs

and student-athlete development. In recognition, the lobby of the forthcoming *Olympic Sports Complex* will bear the name of Frank J. Quayle, III.

CONGRATULATIONS FRANK!

■ **JUSTIN** and I want to **THANK YOU** for reading **Club Insider**! We appreciate you being with us. And, in particular, **WE VERY SINCERELY APPRECIATE ANY and ALL SUPPORT OF OUR ESTEEMED Club Insider ADVERTISERS! PLEASE DO BUSINESS WITH THEM and WHEN YOU DO, PLEASE TELL 'EM Club Insider SENT YOU! THANK YOU ALL!**

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

(Norm Cates, Jr. is a 50+ year veteran of the health, racquet and sportsclub industry. He is the Founder and Tribal Leader Since 1993 of *Club Insider*, now in its 32nd year of monthly publication. In 1981, he was IHRSA's First President, and a Co-Founder of the Association with Rick Caro and five others. In 2001, he was honored by IHRSA with its **DALE DIBBLE Distinguished Service Award**, one of its highest honors. And, in 2017, he was honored with *Club Industry's Lifetime Achievement Award*. You can reach Norm by phone at **770-635-7578** or email at **Norm@clubinsideronline.com**.)

Club Insider Seeks Contributing Authors

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Bay Club Continues Investment Sprint with the Acquisition of 425 Fitness

SAN FRANCISCO, CA - *The Bay Club Company* ("Bay Club") announces the acquisition of 425 Fitness, a highly regarded group of fitness clubs in the greater Seattle area with three locations in Bothell, Redmond and Issaquah. The acquisition strengthens the Bay Club presence in Seattle and furthers its commitment to building vibrant, local communities throughout the Pacific Northwest, with its innovative Campus model centered on sports, outdoor recreation and active lifestyle experiences.

The addition of three 425 Fitness locations is a strategic step in Bay Club's mission to create regional campuses that meet every need of the modern active lifestyle. Each Campus is designed to integrate exceptional amenities under a flexible shared membership model that allows people to add whoever they choose, whether that's neighbors, coworkers,

friends or family. This approach continues to differentiate Bay Club's ability to foster meaningful connection through curated experiences that help members live healthier, more vibrant lives.

Founded in 1988, 425 Fitness brings more than 35 years of community-focused wellness to the Bay Club family. Each location features expansive fitness floors, studios, recovery zones with *Theragun* and *Hydromassage*, saunas, saltwater pools, hot yoga and youth programming, all closely aligned with Bay Club's commitment to premium amenities and its active lifestyle ethos.

"Our expansion into Seattle's Eastside suburbs is a natural evolution of our Campus strategy in the region," said **Victor Woo**, *Executive Vice President of New Business Development at Bay Club*. "The 425 Fitness properties enhance our offerings with additional fitness amenities

that complement the sports and outdoor recreation focus of our *PRO Clubs* and *Harbor Square Athletic Club*, creating a well-rounded campus where people thrive through movement, connection and play."

With the addition of three new clubs in the greater Seattle area, Bay Club will formally segment its Pacific Northwest presence into two distinct Campuses. The newly designated Washington Campus will include PRO Club Bellevue, PRO Club Seattle and Harbor Square Athletic Club in Edmonds along with the three new 425 Fitness locations. The Oregon Campus, anchored by Bay Club Portland, will be a continued focus for expansion.

"As we grow across our five geographic zones, our vision remains consistent: to create connected ecosystems that elevate the way people live," Woo said. "Whether members are working out, spending time with family, or building new



friendships, Bay Club offers a place for all of it. We look forward to building out our Campuses within all of our regions moving forward."

Make It Fun Every Day!

...Rodney Steven II

continued from page 3

the amazing story of his life so far. Starting his business on a shoestring with a small, out-of-date racquetball club and hardly any money to speak of, he's expanded and upgraded it dramatically over the years and will generate \$20 million this year in his ten locations (with four of those clubs being new startups).

Five of Rodney's Genesis Health Clubs are in Wichita, Kansas. The other five are in Hutchinson, Salina, Emporia, Lawrence and Leavenworth, Kansas. He also owns the Wichita Thunder Ice Hockey Team in partnership with his brothers Brandon and Johnny.

Here's a story of a guy who went from being fresh out of college, and almost in law school, all the way to being the head of a club business that now serves over 43,000 members. Plus, their minor league Ice Hockey Team called the *Wichita Thunder* made it to the Central Hockey League Finals in their first year of ownership.

Along the way, Rodney Steven has virtually single handedly taken on the State of Kansas with an effort to achieve fairness and a level playing field for his clubs and all of the clubs in the state by starting the *Kansas Health and Fitness Association* with 73 commercial health clubs in Kansas. There are seven YMCAs in Wichita. The fact that most of them are \$20 to \$25 million YMCAs that pay no property taxes whatsoever, while Steven pays \$1 million a year in property taxes for his clubs, is totally unfair, and Rodney Steven has set his mind and aimed his actions to stop the inequity.

It's my pleasure to present this special cover story interview with Rodney Steven II, age 40, the President and Co-Owner of Genesis Health Clubs, headquartered in Wichita, Kansas.

An In-Depth Interview With Rodney Steven II

Club Insider (C.I.) - Rodney, where were you born and where did you grow up? Also, please tell us about your education.

Rodney Steven II (RS) - I was born here in Wichita, Kansas. I went to college at *Southern Illinois* in Carbondale, Illinois. I went there on a Division-I tennis scholarship and played tennis there for three years. Tennis is a great sport. It's a sport that you can play your whole life. The contacts and connections that you make in tennis will stay with you forever. Tennis has done a lot for me, obviously. I wouldn't be building tennis clubs without the background in the sport that I have.

C.I. - Please tell us about your family.

RS - My wife's name is Juliette, and we're blessed with six children: **Breckyn, Rodney III, Brittany, Vanessa, Rock and Berkley.**

C.I. - Rodney, what did you do right out of college at Southern Illinois before you got involved in the club business?

RS - It's a long story. But, to answer the question quickly, I was getting ready to go to law school. I had my applications out everywhere. I got into a couple of law schools, but neither one was what I wanted. So, I went home. Just after I got home, I was working out at a health club called *Genesis*. Three months later, I ended up taking over that club when I bought it in June, 1994.

C.I. - So, that's how you got your start. What was that club like?

RS - It was mainly a racquetball-only club. It originally had eight racquetball courts, and it had a very small section for weights and cardio. It had real small locker rooms. It was a traditional 1980s racquetball club. It was 16,500 square feet and was only doing about 150 visits a day.

C.I. - Rodney, did you start off as the sole proprietor? Or, did you have a partner in that first club?

RS - I was by myself.

C.I. - Please fast forward from one club to how you got to ten clubs.

RS - Let me give you the short version of all that. My first club was owned by my Uncle Joe, who was a dentist in town. He had two partners in that first club. One was my Dad. They were losing money, and they were getting ready to close the club. They were renting it from the guy who built these two racquetball clubs in town. I came home from college and said, 'Dad, I can take this club over. I want to take it over, and I can make money on it.' He said, 'Don't even touch it. We're losing all kinds of money on it. I had to give your Uncle money last month just to keep the lights on!' I said, 'Dad, I can turn it around!' So, I went to see the man who owned the building. He owned an insurance company here in Wichita. I told

him, 'Sir, I'm going to be taking over this health club, and I'm not going to be able to pay you rent for the next three months.' He said, 'If you don't pay me rent, I'm going to kick you guys out of there. You're already a month and a half behind as it is now. If you don't pay the rent, I'm going to kick you out of that building!'

He was basically about to kick me out of his office. I said, 'Sir, I'm not going to pay rent for the next three months. If you need to kick me out, kick me out. But, I won't be paying rent for three months.' And, I didn't pay rent for three months. My fourth month, I sent him a rent check. From then on, I kept sending him a rent check. Well, he came in a few months later and said, 'Hey, the club's looking good. I hear you're painting it. What are you doing here?' He walked around with me. I'm painting the club, I'm doing this, I'm doing that. He's all excited because this is his building that I'm renting and fixing up. About a year goes by, and we're doing very well. I'm meeting and greeting every member. I work the front desk myself, open and close every day. So, I'm meeting all the members and building relationships with them. I have a party every Friday night. I train members in the morning at 6AM. The club is just growing and growing.

About a year later, the owner comes in and I tell him, 'I'd like to buy this club.' He says, 'Well, here's your price. Buy it.' I said, 'I don't have any credit. I need to get a loan. Will you carry me?' He said, 'No, no, no...' About a month or two later, he comes in and brings me a contract and says, 'Here's your contract. I'll carry you. I'll be your bank.' He carried me in that club. He was my bank. I bought the club that day and started making my payments to him. Two years later, I'm really successful. I'm on my honeymoon, and he calls. He says, 'I'll rent you another building.' There was a chain in town that went out of business, and he owned one of the buildings they were leasing. So, I came back a day and a half

early from my honeymoon, and I go into that other building. He carries me on that other building, as well. So, he's carrying me on two buildings. It was an old racquetball club that originally had twelve racquetball courts. So, I'm taking out a couple of courts every month. I'll take one out and put a new floor in. So today, those clubs have two racquetball courts each.

Due to the second club, I have to take on my brother, **Brandon**. He had just graduated college. I said, 'Brandon, I need a partner. It's going to cost us \$39,000 to keep this club open this month.' So, my brother and I went in there, and the first month, we sold \$42,000 in cash memberships. We just drove the club from there. He was running one, and I was running one. The clubs were doing really well. We realize we don't want to be working in the same building everyday together, so he went into the car business. That's a whole other story. But, we opened our first used car lot. So, I'm running both clubs now, and I'm wanting to do a third club.

A hospital across town calls me and says, 'Don't build that third club. Come buy our club!' So, I went and met with the Catholic Hospital. I went and saw their building, and they wanted \$5 million for it. I said 'I can't buy this building. I'd love to, but I don't have that kind of credit.' So, they carried me on my third club. It was a 65,000 square-foot club with a big wellness facility, basketball and a big indoor pool. It's September 13, 1999, and I now have three clubs! Revenues are just really growing! Everything's growing! In 2001, I'm wanting to do another club on the other side of town. I was looking for property and am getting ready to build. There was a club called *The Wichita Racquet Club*, and it's the largest club in the State. It was owned at one time by **Charles and Liz Koch**, of *Koch Industries*, and a doctor in town. I ended up buying that club instead of building my fourth one. Right before that, I went to a bank and bought out the other three club loans with traditional financing, while my clubs were really growing.

I took on my younger brother, **Johnny**, who came in as my *Sales Manager* at that time. He's now the *Corporate Sales Director* for the company. At that point, I owned four clubs. The fourth one I bought was a big tennis club, which was 102,000 square feet when I bought it. I added on 40,000 square feet to the building in 2003. It's 142,000 square feet now. I still spend a good percentage of my time in that club. I added tennis at my third club as well. It's 105,000 square feet now. I did about five additions to that third club. Of course, I'm adding on and remodeling all of the clubs all the time. Those four clubs are all in Wichita.

Venturing Out of Wichita

C.I. - Rodney, at what point did you venture out of Wichita?

(See *Rodney Steven II* Page 10)



Genesis Health Clubs



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venmo

...Rodney Steven II

continued from page 8

RS - After acquiring and improving those four clubs in Wichita, I worked on our first out-of-town club for about three years. I went to Hutchinson, Kansas (a town of about 40,000), where we bought a shopping center there. We became the anchor tenant. Then, for our next location, we went to Salina, Kansas and bought a shopping center with the exact same design as the one we bought in Hutchinson. It's an hour and a half in the opposite direction. That facility now has tennis with a 75,000 square-foot health club and another 75,000 square feet of mall space connected to it.

Then, we went and did a little club in Emporia, Kansas. It is our smallest facility. The town only has 22,000 people in it, and that club is 16,000 square feet. Then, we just very recently did two in Lawrence and Leavenworth that we bought from an existing club chain. They aren't completely rebranded yet. In Leavenworth, we just bought a free standing building a block from the club. We're under construction now and are planning to be done by Christmas. The existing club is still open and running as a Genesis Club, so we'll be moving into the new building when it's done. We're in that same exact process in Lawrence, Kansas.

C.I. - WOW!

RS - So, we own eight of ten of our facilities. We own the buildings and land. We don't want to rent anywhere usually.

C.I. - How did you get involved in the ice rink business and owning a minor league hockey team?

RS - Our 10th facility is the Wichita Ice Center. The City of Wichita put together a Request for Proposals (RFP) to take over their Ice Center. They were about breaking even or losing a little bit of money every year. I thought it was just a perfect location. I told them I'd like to take the facility over and build up the sports of figure skating and ice hockey. So, we put in the proposal, and we won.

Then, at the same time, we put in a health club on the second floor at the Ice Center. It's been open for about a month now, and our Grand Opening is coming up. We built a state-of-the-art, 12,000 square-foot health club upstairs. The total facility is about 80,000 square feet, so we utilize the whole facility. We also opened up a sports bar up there called *Pucks*. After we'd moved into the Ice Center, there was an opportunity with the hockey team called The Wichita Thunder. It's a Double A hockey team, part of the Central Hockey League. They were getting ready to move the team to Chicago, and I met the Coach, whose name is Kevin McClelland. He's a 4-time Stanley Cup winner himself with the Edmonton Oilers. He talked me into buying the team with the help of others. So, my two brothers and I bought the hockey team last year. Last year was our first season owning

a hockey team, and we went all the way to the CHL Finals! We lost in the finals, but it was a great first year and I look forward to our second season. Overall, though, I think the hockey team complements our clubs very well. It gives our members something extra to be a part of and shows our commitment to the community again. Our average attendance was 6,500, and we're in a large arena that holds 13,000. So, we have lots of room for ticket sale growth.

C.I. - Well Rodney, let me reemphasize my previous **WOW!** You have got an awful lot going on. In my view, you're destined to become one of our industry's true Titans, and there are not a lot of them in our industry. Before we move into the rest of my questions, please tell us about your two brothers, Brandon and Johnny, and of course, your key employees. Tell us the names, titles and tenures of them, please.

RS - My brother Brandon and I are 50/50 partners in the car business as well, which he has really grown to one of the largest dealers in the city over the last ten years. The car business has been quite amazing to us, as he has really grown a great team of people in his organization. Johnny has been a key ingredient for us as he is a fierce competitor and is leading our company as Sales Director. My *Director of Operations*, **Mike Racine**, has been with us for 18 years. **Preston Peterson**, our *Director of Personal Training*, has 11 years. Our personal training is off the charts, and we do extremely well.

We have other key employees that I want to mention. **Angie Kendall** is our *Group Fitness Director*, and she's been with us 19 years. Our *Member Services Department*, **Angie Wooten** and **Stacy Schwind**, have both been with us for 18 years. Our IT Department has been with us 15 years. We actually wrote our own software in our IT Department. We don't use any software brand out there. We've developed our own software for check-in,

point-of-sale... everything. **Simon Norman**, our *Tennis Director*, has been with us since 2001 and is a very important part of the organization.

C.I. - Given the vast diversification of facilities, services and amenities of your ten Genesis Health Clubs that include tennis, let's talk about your membership fees and rates, enrollment fees, monthly dues, court fees, etc.

RS - We have three levels of membership. They can pick one location, multiple locations or all locations. Our standard joining fee is **\$200**. Single membership monthly dues are between **\$49 and \$59**, depending upon the package. Family membership is between **\$79 and \$99**.

C.I. - Rodney, please tell us about your personal training business you mentioned earlier.

RS - In 1999/2000, I realized I really wanted to grow my personal training business. So, I brought just about every consultant in the industry to Wichita, Kansas to work with us and make us a better PT group. We were already doing good PT business. Our personal training business just started booming. What changed it was that we started charging a lot more, which enabled us to pay our trainers a lot more. Now, our personal training program is second to none. The program is growing every year. We have 100+ trainers in the company. Our trainers are able to make a phenomenal living now. We even have doctors on our PT staff and a lot of MBA degrees; we have very highly educated trainers on staff. It's amazing to see how much a personal trainer can make these days compared to 15 years ago. I still train with a trainer every day myself. I think it's an invaluable part of training. It keeps me accountable as well. Our annual revenue for personal training for seven locations is about \$4 million a year. I've not included our last three clubs' personal training revenues in that number

because they're so new, and we're just getting them rolling.

C.I. - (laughing) What do you do with all your money, Rodney?

RS - (laughing) Buy hockey teams! We're going to make money with hockey this year!

C.I. - Let's talk about all your ancillary businesses within your clubs in addition to personal training.

RS - We have the normal stuff. We have snack/smoothie bars at each location called *ShakeThis*.

C.I. - How many members do you have in your five clubs in your primary market in Wichita?

RS - We have 32,000 members in Wichita and 11,000 in the other five in the other towns. But, keep in mind, most of the out-of-town clubs are very new and are really just getting started.

C.I. - So, you currently have 43,000 members, and that number is growing every day.

RS - That's correct.

C.I. - What about your growth plans? Are you going to continue the out-of-town growth, or are you going to expand more in Wichita?

RS - We're going to be adding more clubs in other towns in Kansas.

The Leader of American Health Clubs in the Fight Against Non-Profit Competition!

C.I. - Rodney, when did you join IHRSA (now HFA), and what value do you get from your IHRSA Membership?

RS - I don't remember when I joined. It's been a long time. I've been very active over the past ten years. IHRSA is an invaluable tool from a lot of perspectives. If you are new at this business, like I was, it helps you get information on things like personal training. All the different manuals they put out and all the different publications they put out, they all represent value. For me, I've faced a large non-profit competitor for ten years, the YMCAs. The Ys in Wichita are some of the strongest YMCAs in the country. In Wichita alone, they brought in \$35 million in gross income last year, and they've netted \$50 million over the last five years. Yes, that is a 'surplus' of approximately \$10 million a year!

C.I. - The YMCAs operate as 501(c)3 not-for-profit businesses, right?

RS - That's right. Norm, I've devoted a lot of time in my life to this issue over the past ten years. What's happening is wrong, and I'm not going to stand for it. I won't quit my fight until there's tax equality in Kansas among for-profit and non-profit health clubs. They can't hide under government shelter any longer. The government is probably

(See Rodney Steven II Page 12)



Genesis Health Clubs

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...Rodney Steven II

continued from page 10

too large to fix this problem that they've created, and we have to get in there and help them fix it. Right now, the YMCAs are in the same business we're in. They sell adult fitness services. That's where 80% of their income comes from. They need to pay taxes. That's the angle I've been pursuing in Topeka, Kansas (State Capitol) for the past seven years where I've had help from IHRSA hiring the right lobbyists and helping me fight the fight. I'll tell you, the first three years were very difficult. It's hard to complain about the YMCA. It's hard to complain about someone who appears to do so much for the community because that's what they talk about.

What they don't talk about is the money they're making and the businesses they're putting out of business. There have been over 40 health clubs in Wichita, Kansas that have closed in my last ten years of business. These seven YMCAs in Wichita are not just normal Ys. They're \$20 to \$25 million Ys with outdoor water parks, indoor water parks, and they're 100,000 square-foot facilities. What they do is they get a piece of property donated, or sometimes, they will buy it at a large discount and have some of it donated. Then, they take that property off of the tax rolls! They took 13 properties off of the tax rolls for the latest Y they're building right now! So, the taxes on my clubs increase so my competitor can build a new building! They don't pay property tax. They don't pay sales tax. And, of course, they don't pay income tax. I can live with the income tax. What I can't live with is the property tax and the sales tax that they are not paying!

So, the first couple of years, I was fighting an uphill battle, and it was a tough fight. The last three or four years, the politicians, the representatives in our State, are realizing this just isn't right. The YMCAs are not paying over \$5 million a year in taxes. That's not right! They're putting people out of business. That's not right! They're shrinking our tax base! They talk about helping kids. Who helps kids more? I pay over \$1 million dollars a year in property taxes! Do you know what property tax goes to? It goes to funding our schools. The YMCA pays ZERO on property tax. They pay ZERO sales tax. So, I'm fighting in this state for equality between *for-profits* and *non-profits*, and we won't quit until we get it!

C.I. - Well Rodney, you deserve a real pat on the back for all of your efforts and the hard cash investments you've made so far and for how you're making progress in Kansas. IHRSA has been involved in this squabble with the YMCA over their no tax privileges and advantages as a non-profit, and we haven't gotten ANYWHERE AT ALL in 32 years! So, it's really great to hear how strong you stand on this, Rodney, and the progress that you're making! Keep it up!

RS - Well, we did this year, and I'm going to win next year, I promise you! We're fighting for equality in this State, and we won't quit until we get it! I'm putting a lot of time into this fight because it is something that has to happen. They took a huge chunk out of our business in Wichita, Norm! I mean a HUGE chunk. Obviously, that's why I started growing out of Wichita. You come in and build a few \$25 million Y's close to our clubs, and you do it four or five more times, it will test the best of an operator.

■ ■ ■

Rodney Steven is a bright, articulate and very competitive guy, and we wish him well in his efforts with his clubs and his efforts with trying to protect his clubs by creating a level playing field between commercial health clubs and non-profit YMCAs. This is a Herculean task that Rodney has taken on, and once he is successful, he will be providing clubs nationwide with a wonderful blueprint to follow as they go about attempting to level the playing fields in their own states between YMCAs and commercial, for-profit health clubs. Thanks Rodney for your time on this interview and your pre-publication review. We wish you and your family, your brothers and your Genesis Health Club Team all the best in the future.

■ ■ ■

An Update From Rodney Steven II

C.I. - What has been the company's trajectory since COVID? What major changes have you made?

RS - Since 2020, Genesis has undergone one of the most transformative phases in our history. Emerging from COVID, we didn't retreat; instead, we went on the offense. We've expanded aggressively yet deliberately, acquiring over a dozen clubs

in strategic markets. These were not merely opportunistic purchases. Each acquisition, whether it was the *Atlantic Club* in New Jersey, the *Saw Mill Clubs* in New York, the *Lexington Tennis Club* in Kentucky, or eight *Esporta* locations across the South, was part of a larger plan to build regional density and extend our operating model into communities where we can scale it effectively.

However, growth in a footprint only works if the foundation is strong. Therefore, we have invested millions back into our core club portfolio. We've remodeled several locations with premium finishes, modernized locker rooms, installed cold plunge facilities, created recovery lounges, built new studios and expanded our aquatics and tennis offerings. This was not merely cosmetic; it was a repositioning. To continue to serve our members with high-value, high-service destinations that help fulfill members lifestyle needs today.

Internally, we have restructured to support that scale. We added regional leadership layers to maintain clubs' connections to their culture and address their operational needs. We improved communication across states, built a stronger onboarding and training program and enhanced visibility at the field level for executive decision-making.

On the business side, we have expanded our non-dues revenue streams to include youth programs, tennis, spas, pickleball and retail, making them essential components of our model. More recently, we have begun building programming specifically for members using GLP-1s. We are designing metabolic conditioning and strength-based support programs that provide these members with a long-term plan for sustainable health, not just for weight loss.

We're seeing the payoff. Sales are up, retention is stronger and engagement is deeper. We're not just a gym; they see us as a partner in their health journey.

C.I. - Can you provide some key metrics for 2024?

RS - Our prices have continued to increase as our value increases everyday:

Revenue Increase over 2023: **20%**
EBITDA % Increase over 2023: **20%**

C.I. - Overall thoughts on the industry trends and key positive changes?

RS - The industry is on the right course. After years of emphasis on aesthetics, calorie burn and vanity metrics, a return to performance-based fitness is underway. Strength is once again at the center, and that's a good thing for everyone, especially long-term member outcomes.

Another significant shift is how people evaluate clubs. Younger members, particularly Gen Z and Alpha, approach this with a completely different perspective. They're not only assessing equipment; they're also examining your culture, technology integration, flexibility and mental health support. They want to know if your brand aligns with their values, and they can detect inauthenticity in seconds. This compels all of us to be more precise about who we are and how we present ourselves.

Finally, members overall are just more educated. They're asking more thoughtful questions. Whether they're using GLP-1s, managing blood sugar or training for healthy aging, they want trainers who know more and programs that deliver more. We welcome that. It raises the bar, and we're ready for it.

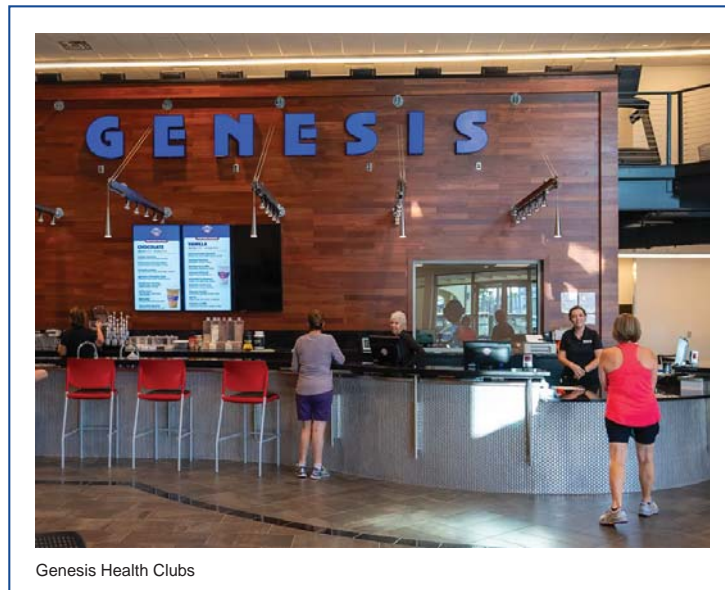
C.I. - Key successes of HFA and likely next steps in the near future?

RS - The rebranding of the Health & Fitness Association wasn't just smart; it was necessary. IHRSA had established a strong foundation, but the name didn't reflect the broader role this industry plays in public health. The shift to HFA clarified that we're not just gym operators; we're health advocates, behavior change experts, and frontline partners in preventing chronic disease. That clarity provided more room to unite independents, franchises and big-box chains under one mission.

The most significant win was hiring a CEO that politically knows how to advocate for our industry. We have the greatest industry, and we need to be proud about soliciting and encouraging our elected officials to fight for better health to improve our industry. Our elected officials need to hear from us more and feel our support through communication and of course financially being heard.

C.I. - What overall challenges lie ahead for the industry and any planned changes? (Tariffs, interest rates, inflation, GLP-1 patients, new Federal legislation, more Generation Alphas/Zers entering the industry, attracting seniors, etc.)

RS - Costs are rising across the board. (See Rodney Steven II Page 13)



Genesis Health Clubs



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...Rodney Steven II

continued from page 12

Equipment, insurance, wages, remodels; everything is more expensive. It is very expensive to build a club today, and it takes so much time! I believe the fitness product is so strong that our dues have to represent the outcomes our members expect and deserve. Members are savvy. If they're going to pay more, they need to see the value. That's why we're focusing on enhancing the experience: improved recovery, better amenities and advanced staff training.

Staffing remains a significant challenge. Our front desk, club managers, trainers and instructors represent the brand. When turnover is high, consistency tends to diminish. We're tackling this by prioritizing a member-first experience and strengthening regional support. Culture is built club by club, which requires intentional leadership.

C.I. - Overall view of the industry for next 2-3 years? What segments, including yours, are likely to benefit?

RS - Luckily for us, health and fitness is top of mind awareness for everyone. I believe

the opportunity for our industry is greater than ever before. We, as an industry, just have to go and perform by adding great value and service to our members.

We are still heavily investing in our industry because we love it! While staying out of the race to the bottom. We have to continue to build our culture and product

to exceed our members expectations and needs and experiences they talk about.

You're either going to be a destination or a discount, and we know which side of that line we're on.

C.I. - You have had continued success acquiring clubs in recent years, including

in new States and regions. How does the future look for Genesis? Any guess as to how many realistically you might acquire in 2025 and then in 2026?

RS - We've expanded consistently throughout the years, and that's by design, not by accident. Every acquisition is evaluated through one lens: can we make this better, and can it make us better?

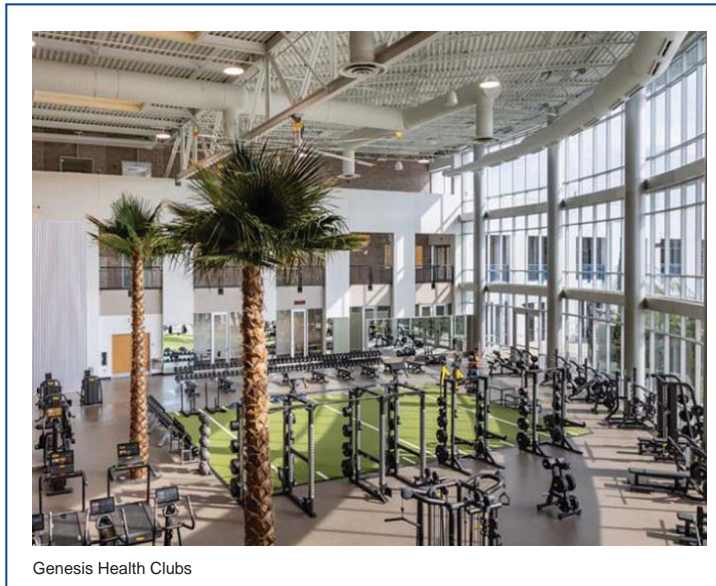
We've recently added clubs in New Jersey, Arkansas, Florida, Kentucky, Louisiana and throughout the Midwest and South. Realistically, we're on track to continue to grow, depending on how the deals develop. If the right portfolio appears, we're prepared to move more quickly. I believe there is more opportunity out there than I have ever seen before.

C.I. - Any final advice?

RS - People and Culture.

■ ■ ■

Thank you again to Rodney Steven II for his time, knowledge and wisdom. If you are looking to learn from anyone, he is definitely one you should consider!!!



Genesis Health Clubs

Customer Service at its WORST!

By: **Frank Guengerich**

I recently moved from Texas to Maryland and had to cancel my internet service with *Suddenlink/Optimum* and start a new service with *Xfinity*. In the process, I was contacted by a company called *Safe Haven* that is affiliated with my new home builder that represented that they were my personal concierge assistant, and they would assist in setting up my smart home system, security system and internet with Xfinity.

Unfortunately, all three companies provided the worst customer service I've experienced in a while. Canceling my current internet service with Optimum was a hilarious experience and truly a model for how not to do it. Canceling should be easy, right? Wrong! It took over half an hour on the phone, and the process seemed like it was designed as a war of attrition just to see if I'd hang up out of frustration. I was passed to four different people, all of who were more interested in how they could keep me as a customer rather than assisting me with what I called about, which was to cancel my service since I

was moving.

Once I was finally able to get the service canceled, I moved on to attempt to set up my new service with Xfinity, which was an even-more treacherous process. The concierge company, *Safe Haven*, represented that they would easily assist me in setting up my service, but as it turns out, they only wanted to sell me additional services. I was duped, tricked, deceived... Once they were successful in luring me into buying additional services, they no longer had any interest in doing what I needed, which was to set up an internet service. They promptly stopped assisting me and passed me over to a Xfinity representative. That process took several phone calls, several AI agents and speaking with five different live representatives.

All said, it took me over 3.5 hours to get my service canceled and the new service set up. What I learned is that internet, cable and phone service companies are all "The New DMV." Why it is so vital that you avoid these mistakes is because it causes tremendous damage to your business' reputation. The lessons learned are:

Handle your customers' issues as a priority - Don't have an ulterior motive. To provide great customer service, you must first handle the issue that a customer is calling or asking about. This must be the focus and priority. Once the issue is resolved and your customer is completely satisfied, you've earned their trust, and they are often open to other requests you may have.

Don't pretend to show empathy - The most important thing you will do is to be sincere and resolve your customers' issue. Saying over and over, "I understand," or apologizing without being sincere will make your customers aggravated. The lack of empathy or true compassion to resolve a customer's concern or issue is easy to pick up on.

Don't Misrepresent - In the case of *Safe Haven*, they represented to me that they were my personal "concierge service" and they were involved to make the process for me simple and personalized. But, as it turns out, they had little interest in assisting me and simply wanted to sell me more



Frank Guengerich

services. They are deceptive. It is vital not to misrepresent your services and make sure you deliver exactly what you promote.

Don't Make it Difficult - Want to make a customer happy? Make the process easy. The best compliment you can get is when your done assisting a customer with an
 (See **Frank Guengerich** Page 15)



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Are We Really as Good as We Think We Are?

By: **Thomas Plummer**

Is this industry a wild success, as we proclaim from the stages at national conventions and to investment groups seeking to come spend money with us? Or, are we, at best, an 80-year-in-the-making failure, one which has only penetrated barely 21% of the market since its birth in post-WWII America?

We gloat on the 21%, but leaving 79% on the table does seem like failure after eight decades of doing business. It's like me going to Vegas with two grand in my pocket then getting on the plane, still giggling from the cheap drinks and telling everyone around me I am a winner because I still have a couple of hundred left.

The *aha moment* is we don't have to be much better to be absolutely great. If 21% is bad, then how would we define what real success would look like in this industry? As of 2024, there are approximately 340 million people in the U.S., and the fitness market has managed to grab ahold of 71 million of them, spread throughout 90+k fitness facilities and gyms.

If we were just 3% more effective, meaning adding just 3% of the 340 million to our current 21% penetration rate, we would add an additional 10 million members to the businesses in this industry. Or, stated more clearly for those depressed gym owners searching for those elusive memberships, we would instantly add over one hundred new members per facility.

Why are we so ineffective when everything in current culture is pointing our way? Over 70% of our population is obese or overweight, easily verifiable by visiting any Walmart on any given Saturday morning, yet we are not seen as the answer to this concern except by a very small percentage of them.

Perhaps, one of the most startling statistics is 10,000 people per day are turning 65, and people currently alive in this age group can expect a life expectancy of approximately 85 for men and well over

90 for women. The year I was born (1952), men retired at 65 and died a few years later, worn out by a long career and the struggle to last long enough to have a few years on the park bench. Their early demise was due to the fact that most everyone smoked, drank and never exercised. And, the women of that era barely lived much longer, gone in their early-70s, again suffering from the same angst and issues as the men.

We have been given this huge population of those 50+, and more are arriving daily, yet they do not believe we are the answer to living a better quality life through fitness. We all want to live a long life, but no one ever wants to get old, and as an industry, we should be the source of eternal youth. But, again, we are not seen as the solution they want and need to increase their health span beyond mere longevity.

We are simply defeating ourselves, clinging to our past success and denying the fact this industry needs to be reinvented to become relevant again. If science was looking for a time machine model that could transport someone back to the past, those scientists would need to look no further than the mainstream, big box business model.

There is a fitness chain with sites in multiple states where their website might be considered a direct portal to 1995. The boxes are big, often over 30,000 square feet, and the website and social media attempts to drag the potential client back to those days when one gym could be everything to everyone.

Price flashes on the screen as you search, the deal of the week included and the... oh my, hold your breath, "this deal won't last much longer call to action." Pictures of mostly young members, the occasional picture of some older dude and dudette waving from the back row of a class and wide angle shots of what a huge place this is and it can be yours at this low, low price. They sell price and everyone is welcome, but don't expect much help

as a beginner unless you upgrade; and they might have a few of those old leg warmers from the aerobics days in a box in the storeroom.

Most all of our current marketing targets people who are already in someone else's gym.

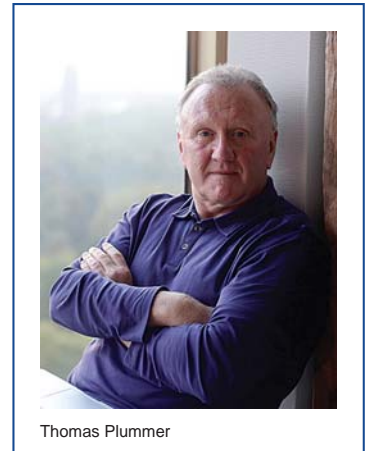
The chain mentioned markets under the assumption you are working out, are maybe tired of your current gym or have just moved to this area and are completely understand what these pictures, class schedule and options mean due to previous experience as a fitness person.

But, again, 79% of the potential market looking at the site have no idea if anything the chain offers fits them. Here are the toys we offer, and we rent them per month for less than a sandwich and coffee at *Starbucks*. Price is irrelevant if I don't know what the price buys, but it sure sounds cheap; I obviously couldn't expect much help for that cheap fee.

If we look at the 21% as those who get us, and the 79%, those not in a gym, as the "don't get it" population, we spend all our marketing, direct all of our social media and even design our facilities for those who have some previous experience and understanding of what we do and who we help.

Big boxes worked last century, and the one size fits all concept was effective back when **Bill Clinton** was *President*, but this business plan was destroyed by the advent of the methodology driven businesses starting in 2005 and the eventual evolution of the demographic driven business model, represented by the small, target specific training gyms focusing on the top 30% of the population by affluence and other single offering facilities targeting specific demos, such as Pilates and yoga, again chasing the right age and money client to fill them.

These newer models work and verify we are evolving, moving slowly



Thomas Plummer

toward a more efficient method of operation, but here are a few things we still must do to expand the industry as we know it today:

Start with the marketing:

Most all of fitness marketing is flawed from the concept. We tell people how we do it, but we never mention who we do it to or if they might belong in this business...

For example, a gym marketing to women mentions all trainers are certified and are there to guide someone in fitness. This is like a restaurant advertising, "we have real chefs on duty who will make you dinner when you come in." The restaurant never mentioned the style of food or if the place might be upscale or family. The gym has the same problem because its marketing fails to answer if someone belongs there, if there are others like me and if this is small and more private or the size of Cleveland's airport.

For example, the women's gym might say, "hey, we are a small, upscale gym focusing on women over fifty who are seeking a sense of community and who want that help you need to live a long and (See **Thomas Plummer** Page 17)

...Frank Guengerich

continued from page 14

issue is when they respond by saying, "Is that it? I'm done?" Since a significant number of new members in our business are rejoiners, we want our members to want to come back because their experience was positive, easy and they trust us.

Here are a few simple tips and what you should do:

Resolve the customer's issues promptly - Plan for members to have issues or concerns and be prepared to resolve them efficiently and quickly. At all costs, avoid

allowing the issue to be escalated and turn into frustration.

Train staff to resolve all issues - Make sure that all staff are trained in how to resolve customer issues. You know what the issues might be, so you have no excuses. Empower them to make decisions so that you avoid passing customers from one team member to the next. There is nothing more frustrating than getting passed around and having to explain the issue over and over.

Hot Tip - Using AI bots and Agents: With all the emerging technology that is becoming available, be careful not to use

AI if it isn't perfected. Forcing an upset customer to talk to an AI agent that cannot quickly resolve the issue will only make an issue worse.

■ ■ ■

In conclusion, providing great customer service requires a passion to take care of your customers' needs first. Make sure issues are processed and resolved quickly and easily. Train your staff in how to handle requests so that the process is smooth. Do these simple things and your business will have happy and loyal customers.

(Frank Guengerich is the President and Chief Executive Officer of Club Wellness Advisors (CWA), which specializes in exclusively serving private clubs by proving fitness and wellness design and operational consulting services. CWA is a division of Health, Wellness and Lifestyle Services (HWLS), a health club ownership and management consulting firm. HWLS specializes in assisting clubs maximize revenue and profitability, with a focus on membership marketing and sales, fitness programming and wellness/medically supervised programs. For more information about CWA or HWLS, visit the website at www.hwlservices.com or email frank@hwlservices.com.)

The 15-Minute Daily CEO Routines for Gym Owners:

Small Habits That Lead to Big Growth

By: **Jim Thomas**

Running a gym isn't just about keeping the lights on and equipment clean... It's about *leading* with vision, clarity and consistent action. But, in the hustle of managing staff, training clients and putting out daily fires, many gym owners lose sight of one critical truth: *Your business will only grow as fast as you do.*

You don't need hours each day to improve your business. You just need *15 focused minutes*, a simple, daily leadership habit that compounds over time into increased productivity, improved staff performance, better decision-making and business growth.

This article outlines the *15-Minute Daily CEO Routine*, a powerful, repeatable process for gym owners, boutique studio operators and personal trainers ready to lead at a higher level.

Why This Routine Works

Think of this as your daily "business workout." The same way a short, high-intensity training session can transform your body over time, this 15-minute leadership habit transforms your *gym's performance* and your *effectiveness as a leader*.

Here's what it does:

- Sharpens your focus on high-impact activities;
- Reduces stress and reactive decision-making;
- Improves accountability and execution;
- Builds positive momentum;
- Reinforces leadership discipline.

The 15-Minute Daily CEO Routine

Set a timer, close the door, silence notifications. These 15 minutes are *sacred*. Here's how to structure them:

1. The "Wins and Gratitude" Minute (1 Minute)

Start by writing down:

- One win from yesterday (big or small);
- One thing you're grateful for in the business.

Why: This mindset shift instantly grounds you in progress and positivity. You lead better when you lead from abundance, not burnout.

2. The "Top 3 Priorities" Minute (1 Minute)

Ask yourself: *If I only got three things done today, what must they be to move the business forward?*

Write them down. These should not be urgent tasks like "answer email" or

"fix the printer." Focus on *growth-driving activities* such as:

- Review sales leads and follow-ups;
- Coach a salesperson;
- Analyze retention trends;
- Create content for lead generation;
- Call a strategic partner.

Why: Clarity creates power. Knowing your three non-negotiables prevents busywork from running your day.

3. The "Check the Dashboard" Minute (1 Minute)

Glance at your core KPIs:

- New leads;
- Membership sales;
- Attendance trends;
- Churn rate;
- EFT revenue;
- Trainer utilization.

Why: CEOs manage the scoreboard. If you don't look at the numbers daily, you can't correct course early enough.

4. The "Staff Pulse Check" Minute (1 Minute)

Ask:

- Who on my team needs coaching, encouragement or accountability today?
- Is anyone underperforming or disengaged?
- Who deserves praise?

Why: Your staff *is* your culture. Daily awareness of your team's performance and morale helps prevent problems before they start, and it reinforces trust and accountability.

5. The "Customer Pulse Check" Minute (1 Minute)

Ask:

- Have there been complaints, cancellations or drop-offs I need to address?
- Who deserves a thank-you, a high-five or a shout-out?
- What's one way I can add value to a member today?

Why: Member sentiment is the heartbeat of your business. If you ignore it, retention drops, quietly... then all at once.

6. The "Obstacle Clearing" Minute (1 Minute)

Ask: *What is one bottleneck slowing my gym's progress?*

It could be:

- A broken onboarding system;
- A team member who's not coachable;

- An outdated pricing model;
- Inconsistent follow-up on leads.

Write it down and brainstorm one action to start solving it.

Why: Daily progress against bottlenecks prevents stagnation and turns small problems into strategic wins.

7. The "Brand and Marketing" Minute (1 Minute)

Ask:

- Is our brand showing up well today?
- What is one thing I can do to attract attention, create value, or nurture leads?

Options:

- Record a short video;
- Reply to social comments;
- Update Google Business Profile;
- Post a testimonial;
- DM a lead.

Why: Marketing isn't a monthly activity. CEOs must own their brand's visibility and voice, every single day.

8. The "Big Picture" Minute (1 Minute)

Ask:

- Are we moving toward our vision?
- What's one decision I need to make or delegate?
- Is there a future opportunity I'm not acting on?

Why: Leadership is not just about *today*; it's about seeing the bigger picture and steering toward it, even in small daily ways.

9. The "Execute Immediately" Minute (1 Minute)

Choose *one action* from your list and *do it now*, before the timer ends. This could be:

- Sending a quick praise text to a team member;
- Checking in with a VIP client;
- Recording a 60-second video;
- Messaging a lead;
- Delegating a task you've been avoiding.

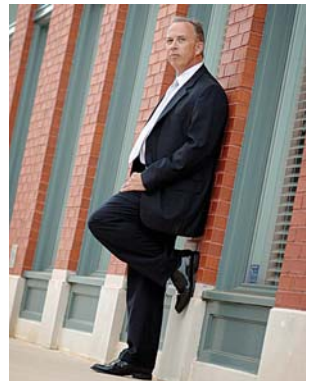
Why: Action breeds momentum. Don't just *plan*; do something that makes the business better *right now*.

Putting It All Together: The Habit Stack

Here's your daily flow in summary:

Minute Focus:

1. Wins + Gratitude;
2. Top 3 Priorities;



Jim Thomas

3. Check the Dashboard (KPIs);
4. Staff Pulse Check;
5. Customer Pulse Check;
6. Obstacle Clearing;
7. Brand & Marketing Check;
8. Big Picture Thinking;
9. Immediate Execution;
- 10 - 15 (Optional). Journal or review.

Pro Tips for Making It Stick:

- *Do it at the same time every day* (ideally first thing before opening or before team meetings);
- *Keep a dedicated notebook* or app just for this routine;
- *Share it with your leadership team* and encourage them to do their own version;
- *Track your "daily streak"* for consistency and self-accountability.

Final Thoughts:

Be the CEO Your Gym Needs

You don't need more time; you need more *focus*. This 15-minute routine is your daily alignment with leadership, performance and vision. It keeps you centered on what matters most, builds trust with your team and members, and creates unstoppable momentum toward the gym you've always wanted to run. Small hinges swing big doors.

(An Outsourced CEO, Turnaround Expert and Author, Jim Thomas is the Founder and President of FMC USA Inc., a management consulting, turnaround, financing and brokerage firm specializing in the leisure services industry. With more than 25 years of experience owning, operating and managing facilities of all sizes, Thomas lectures and delivers seminars, webinars and workshops across the globe on the practical skills required to successfully overcome obscurity, improve gym sales, build teamwork and market fitness programs and products. Learn more at www.fmconsulting.net or www.youtube.com/gymconsultant.)

Kale and Exercise:

The Recipe for Results

By: **Jeffrey Pinkerton**

Kale. It's really good for you, packed with vitamins, antioxidants and all kinds of bone-boosting, heart-helping compounds. We should eat it every day. But, to most people's palates, kale's roughage is... pretty rough. That said, when prepared in just the right way, with some great ingredients, a kale smoothie can be a tasty afternoon snack. Even better, a ready-made bag of frozen kale, blueberries, cherries and strawberries can help reduce prep time and friction, increasing the odds that I'll get my vitamin boost for the day. Curious where I am headed? Kale is like exercise. Most people find it pretty rough. You need to add some great ingredients and deliver it ready-made, to reduce friction

and increase the odds that your members will get their movement and exercise for the day.

People Need Kale

Most people know exercise is really good for them. It's packed with muscle-building, endorphin-charging, bone-boosting, heart-helping benefits. But, it can be intimidating, challenging, overwhelming, confusing and just... boring.

Even when someone finds the time and energy and courage and moxie to walk into your facility to inquire about joining, that's just the first step. (Actually, it's probably the fourth step; first, they visited your website, read your Google Reviews and scanned your social media accounts.)

Regardless, once they walk in your door, they've already been through a lot, and they haven't even started exercising. The rough part could just be beginning.

Serve a Ready-Made Smoothie

But, it doesn't have to be rough, like a fistful of raw kale, the greens equivalent of solitary machines. You can (and must!) deliver the most palatable version of exercise by adding ingredients that make it guesswork-free and appealing, day after day, to members with no expertise or even experience. Here's the not-so-secret recipe:

■ **Music is magic.** Movement is better
(See **Jeffrey Pinkerton** Page 18)



Jeffrey Pinkerton

...Thomas Plummer

continued from page 15

fit second half of your life."

Understand why people in gyms actually quit:

People leaving gyms often cite the number one reason they are leaving is because of price, yet few who get what they want from a business ever leave it... price may be the excuse, but no results achieved for the money paid is the real reason. Every quarter, I clean up my credit card, eliminating apps I purchased but now don't use, but while the ever-increasing cost of *Netflix* irritates me, I will break a leg if someone tries to eliminate my Sunday, on the couch, streaming hours.

Also, few mainstream, price-driven gyms have any decent induction process. Maybe, maybe the new member gets a short intro to the equipment, but for the low price, you would have to severely upgrade a membership to provide help as we do it now, which doesn't work because the guy came in because it is cheap. There are a number of good ways to fix this, but when you run a turn and burn business plan, this is the last problem you attempt to solve.

Remember, no one goes into a *Golden Corral*, attracted by the low price, then looks to spend a hundred dollars on a bottle of wine. We create failure into the sale because the member was guaranteed failure from the first day.

If you want the member to last, meaning staying longer and paying longer, then you have to give the member workouts he or she can follow, even if they are online or sent to the members quarterly. If they get results, they stay. If they fail, they leave. Simple as that.

Kill the illusion of methodology as your source of power:

Where does your gym go when the fad of the year you are selling dies? A great example is the boot camp models. The client has been there, done that and moved on. We have seen this for decades in aerobic studios, cycle studios, circuit gyms, boot camp team training models and kettle bell only gyms. Once the luster fades, the gym is stuck selling its method rather than adapting its tools to the current time and just getting results for the clients.

Make the first step risk free:

We make it too hard to join a gym for the 79% folks. All we ask is you come into a business that terrifies you, spend ten minutes looking at equipment you don't understand, then commit a year of your life to paying to rent our stuff. The boutique style gyms simply ask you to spend more money, then toss you into a group you can't keep up with and who resent you because you are another body in a gym already packed because the circuit team model doesn't work and is always oversold at the times you want.

Training gyms and other smaller places should offer a meet and greet, where the potential client can spend twenty minutes or so exploring what you do, and all smaller gyms should offer a trial based upon try before you commit for a specific time. Risk kills the willingness to explore, so if you want clients you have not seen before, kill all risk when it comes to trying you out.

Mainstream could do well with a **\$29 - \$39** thirty-day trial and training gyms, and more elite places should use a six-week version priced at between **\$129 - \$299**, depending on the market.

Master the demographics you are chasing and again; there is no one size that fits all:

The demographic model of fitness business will rule the coming ten years, replacing the box, one-size-fits-all-concept and the methodology driven smaller gym. Demographics, as needed for these gyms, are based upon age and affluence. Roughly a third of the country makes over \$100,000 a year, which is the top tier, about a third makes between \$50,000 - \$100,000, and the bottom third makes less than \$50,000 or so. Pick the affluence, pick the target age, then build a gym for that group.

Examples would be *Fitness After Fifty*, adult sports performance, yoga or Pilates, upscale women's only gyms, total support facilities which include nutrition, wellness and medical support, or a return to the body building gyms of the 90s, based up the middle \$50,000 - \$100,000 income level targeting Gen Z and Millennials, who would be willing to pay **\$49 - \$99** per month for a serious workout gym and driven by today's influencers.

What all this means?

In the past, we have created the gyms we want, with as much stuff inside so everyone in the market is believed to be a target, yet in today's market, even the big retail box has proven to a dinosaur. You

could ask the people at *Sears*, *K-Mart*, *Sports Authority*, *Macy's* and a host of others, but hey, they are gone because they couldn't make one size fits all work either.

Today, start with your target demographics, master that segment, then create a gym serving their needs, money, class and age. Use tools as they exist today, but remember today's hot trends is yesterday's funny picture on Google. Look up 1980s aerobics pictures or kick boxing from the 90s to relive what we should avoid.

Remember, what got us here isn't going to get us to the next level of success in this industry, which appears just to be beginning with lots of upside left if we just chase the 79% waiting to find us.

(Thomas Plummer has been one of the primary thought leaders in the fitness industry for over 40 years. His approach of change through leadership, delivered in the 1,100+ workshops he has taught all around the world since 1980, has resulted in the creation of many of the current business concepts now in use in the industry, such as the modern training gym business model and layered pricing structure used by so many financially successful fitness businesses. He is perhaps best known for helping young fitness professionals understand and master the business side of the gym business. You can contact Thom at info@thomasplummer.com.)

Make It Fun!

...Jeffrey Pinkerton

continued from page 17

to music, and that's not just our opinion. Scientifically speaking, when people move to music, time seems to fly, the work is more enjoyable and repeatable and performance is actually enhanced – people are able to literally jump higher, pedal faster and lift more weight.

■ **People are powerful.** The sense of community, the sensation of togetherness, the “see you on Friday” social feeling... it's the unexpected side effect of great group fitness workouts. Personal connections aren't necessarily what will get a person through your doors initially, but it's what keeps them coming back.

■ **Coaching is critical.** A well-prepared, expertly equipped, committed (to you) instructor team will deliver results-guaranteed, inclusive, motivating and even entertaining workouts, with options for every mover.

Results, No (In)Decision Required

Those pre-packaged smoothie ingredients mean my kale consumption

is healthy, repeatable, consistent and palatable; no need for me to indecisively go from aisle to aisle in the grocery store.

Similarly, when you direct someone to the ready-made experience of your best group fitness workouts, you're delivering a healthy, repeatable, consistent and palatable version of exercise without the indecision of going from machine to machine.

Like the ever-increasing – and increasingly popular – options for pre-prepared services that make our lives easier (meals, overnight oats,

supplements, vacations, beauty boxes and even wardrobes), you need ready-made, amazing group fitness workouts to save you and your members time and friction, while smoothly serving their daily dose of results, no decisions required.

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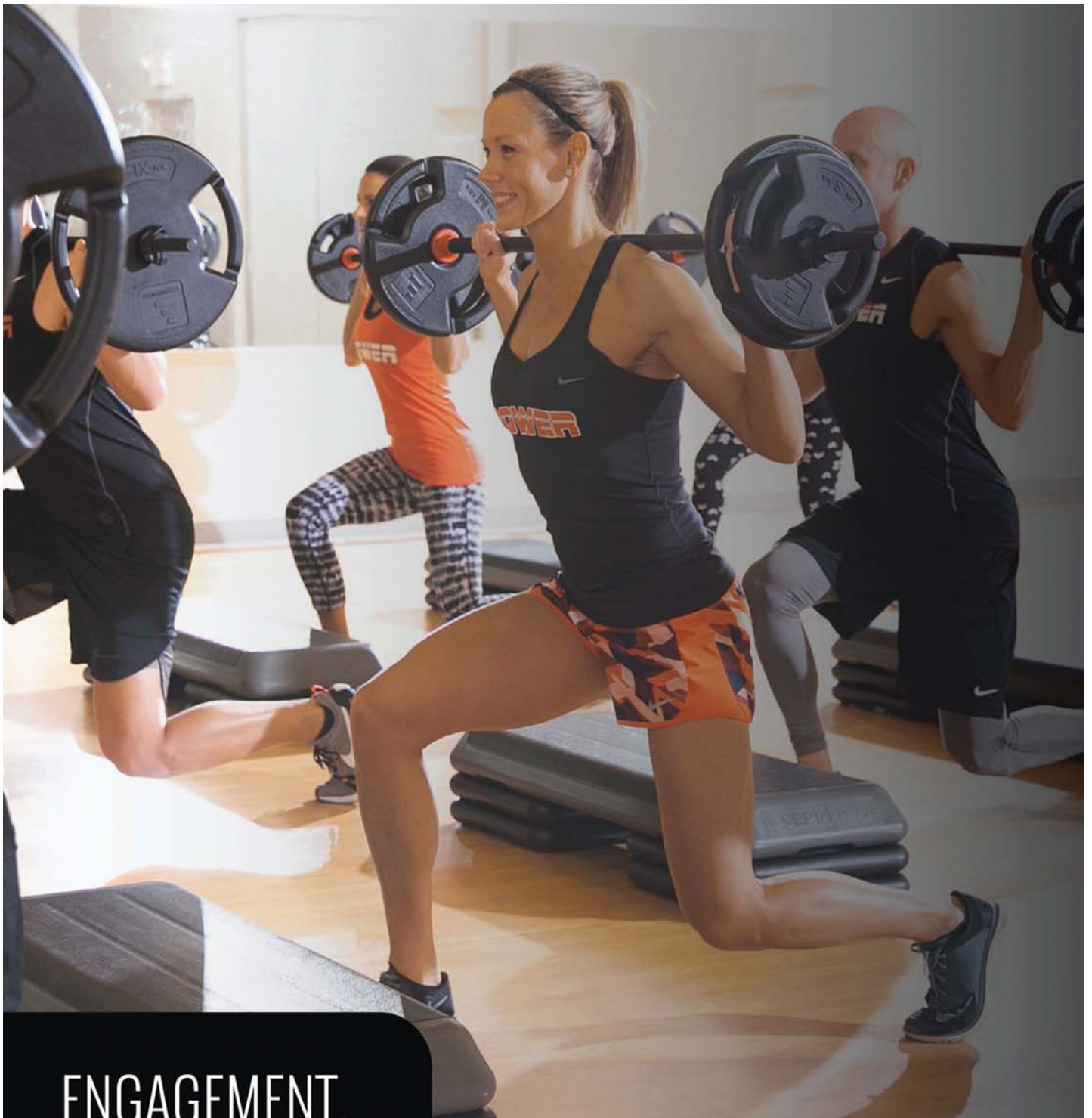
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