

Norm Cates' CLUB INSIDER™

The Pulse of the Health and Fitness Club Industry



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JULY 2011

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Norm Cates' CLUB INSIDER™

The Pulse of the Health and Fitness Club Industry

CLUB INSIDER Advertisers Delivering The Goods!

By: Norm Cates

It's my pleasure to provide you with this special July cover story featuring the great companies that are CLUB INSIDER advertisers (in alphabetical order). It's important for me to point out that many of our advertisers have been with CLUB INSIDER over a decade, including two that have been with us for over 17 years: An Affiliated Acceptance Corporation ad has appeared in CLUB INSIDER every month of publication since we began to sell advertising in June of 1994. Additionally, National Gym Supply has been with CLUB INSIDER for over 17 years as well. Other advertisers, ABC Financial, Body Training Systems, Iron Grip Barbell Company, JLR Associates and The Step Company all have over ten years as CLUB INSIDER advertisers.

Plus, we have several companies that have been with us for over seven years, and they are Fiserv, formerly CheckFree; Thin&Healthy's Total Solution and Visual Fitness Planner. We want to thank all of our advertisers, present and past, for their great support, and we also want to urge you to read this cover story with the eye of a buyer and figure out how our advertisers' products can help your club thrive. Each company has presented a brief summary of his own company and identified a key "Go To" person to contact to initiate a business relationship with them. Read on, and please support the wonderful companies on our Advertiser Team. They bring CLUB INSIDER to you every month.

ABC Financial - For the past 30 years, ABC Financial has led the fitness industry



in club billing and management software. Drawing from both background and experience, we're able to help clients better understand their businesses and offer powerful insight into how they can put their goals within reach. Created by Jim Bottin as a solution to the billing and software needs of his own health and martial arts club chain, the company's client base soon expanded to additional clubs, today covering 3,000 nationwide. Today, we strive not only to be the foremost resource

for leading-edge technology in the fitness (See C.I. Advertisers Page 10)

“We Don't Want FAT PEOPLE In Our Club!”

By: Donna Krech

Do You Want Fat People in Your Club?

How that question hits you will forever be a single determining factor in the level of income and impact you will make in your club.

You do know the business of fitness, *as usual*, is over, don't you? What you may not know is the best way to ensure your best possible future.

Making the *right choice* on how you feel about that question will result in it being easier for you to make more money and a bigger difference in your community.

With our industry being where it is, the economy being in the state it's in

and government and medical communities having the desire they have to work with you, one choice will definitely make you a lot more money *much* easier than the other. But, simply deciding where you stand will make it easier to make money. Period. If you have not already, it's time to make a choice, to take a stand for whichever way your passion leads you.

I was at a major industry meeting and sharing with a fellow club owner what we do in our club. I was telling him how we attract not only the traditional club member, but also those with a good deal of weight to lose. I was sharing the results people were getting like being taken off of prescription drugs, doctors telling them they weren't diabetic anymore, and losses

of 50, 100 and 150 pounds, when he cut me off mid-sentence, “We don't want FAT PEOPLE in our club, Donna! My members do not want to work out next to a fat person.” I sat there stunned. Since then, I've come to realize there are actually three mindsets in our business, and if we'll just determine which one we are, the money will come more easily. In this article, I'll explain how.

First, let's look at two facts:

1. *You* are the expert. It's *our* industry that is brilliant! The diet industry has caused people to lose and gain. They've *prevented* people from keeping weight off because (See Donna Krech Page 6)



Donna Krech

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Norm's Notes

•**Hello Everybody!** This is your **CLUB INSIDER Publisher** and **Tribal Leader** Since 1993 checking in!

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

•**Breaking News!** I'm so sorry to have to report that **STEVE XYNIDAS**, brother of veteran Ormand Beach, Florida club owner, **TASSO KIRIAKES**, and former Founder and Owner of the **Omega 40 Racquetball Club**, passed away on **July 8th**. Steve died from complications with **LOU GEHRIG's disease**, also known as **ALS (Amyotrophic lateral sclerosis)**, that he had suffered from for four years. Steve is survived by his devoted wife of 39 years, **ELAINE**; two sons, **JON** and **NICK** and his wife, **DONNA**; daughter, **CHRISTY**; mother, **MARGO KIRIAKES**; brother, **TASSO KIRIAKES**; granddaughters, **BRIANNA** and **NATALYN** and three nieces. I want to extend our condolences to Tasso and Steve's family for their great loss. **May STEVE XYNIDAS Rest In Peace.**

•**JON WEBSTER**, Owner of **National Gym Supply (NGS)**, has expanded the NGS plant from **15,000** square feet to **40,000** square feet. This near tripling of the NGS space is now in full service for you folks who own and operate clubs and must deal with equipment breakdowns 24/7 year-round. NGS has modernized all

aspects of their business, and I can assure you that Jon and his NGS Team will provide you with instant results (See **Article** on **Page #22** and the **NGS Ad** on **Page #13**).

•The name most of us have been using for our industry the past 30 years is the **Fitness Industry**. Think about it. Your club provides an *environment for, equipment for and guidance for your members* to exercise on a regular basis. What does exercise do, among other things? It burns **FAT**. So, I submit to you all today that our industry should be renamed and hereafter called: **The FATNESS Industry!** BUT, I know many of you will disagree with that notion! For example, in **DONNA KRECH's**



Steve Xynidas

article, "**We Don't Want Fat People In Our Club!**", starting on **Page #3**, the person who said the words in that title was a **Gold's Gym** owner attending the **IHRSA Legislative Summit** in Washington D.C. last May. When he said these words, and I quote Donna, who was standing next to him, "**We don't want FAT PEOPLE in our club, Donna!**" So, if you have that attitude and have silently (or openly) taught your staff to have that attitude, you might benefit from reading Donna's article.

•Speaking of **DONNA KRECH**, next month, I plan to publish an article by **THOMAS PLUMMER** entitled, "**Out of Chaos Comes Opportunity.**" In that article, Plummer makes a comment on the obesity crisis in America and how there was an opportunity, and I quote him, "Trainers and mainstream club owners who can master this group (obese folks) and make them feel at home in your facility will make a lot of money in the coming years." This is exactly what Donna has been saying for as long as I have known her, which is about ten years. Plummer continues, "There is a valid case for someone becoming the next 'guru of obesity' in the industry." Well Thomas, and all of you, I believe and submit to you all that the "*next guru of obesity*" in this industry is and has been for a good while now **DONNA KRECH**. **Stay tuned!** By the way, Thomas Plummer will be doing a one-hour keynote speech entitled, "**Out of Chaos Comes Opportunity,**" at the **Perform Better Summit in Long Beach, California** on **August 26th**. Further, Thomas' **NFBA Tour** will be in **Louisville** on **July 28th**,



Norm Cates

Baltimore on **August 18th** and **San Francisco** on **September 15th**. If you have not attended one of Thomas Plummer's 2-Day **NFBA** seminars, you've missed a *whole lot*, and I *urge* you to go. Go to www.nationalfitnessbusinessalliance.com, or call **(800) 726 - 3506**.

•**Congratulations** to **JOE MOORE**, **IHRSA's President** and **CEO**, as he's celebrating **5 years on the job**, and in my opinion, and the opinion of many others, he's doing a really great job. Keep at it Mr. President!

•**Congratulations** also to retired, but not resting, **BIG JOHN McCARTHY**, **IHRSA's** highly esteemed **Executive Director** for **25 years**, as he's spent his first five years in "retirement" serving as the **Chairman of Augie's Bash Committee** (See *Norm's Notes* Page 8)

About Club Insider

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18 Years and Counting!

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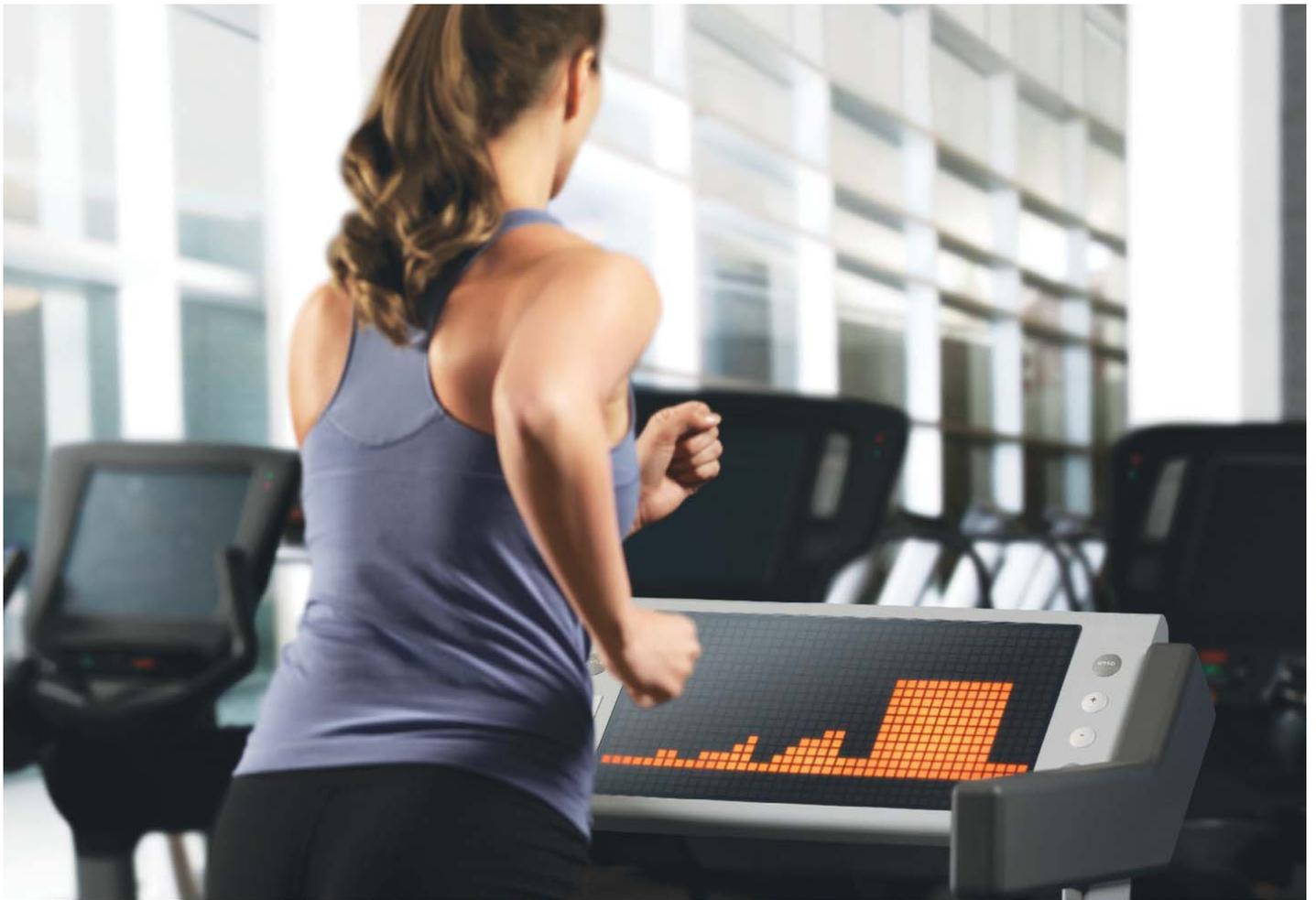
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Obesity Rates Still Rising in Many States

WASHINGTON, DC - In 1995, no state had an obesity rate above 20 percent. Now, all but one do. An annual obesity report by two public health groups looked for the first time at state-by-state statistics over the last two decades. The state that has the lowest obesity rate now, Colorado, with 19.8 percent of adults considered obese, would have had the highest rate in 1995.

"When you look at it year by year, the changes are incremental," says Jeffrey Levi, Executive Director of the Trust for America's Health, which writes the annual report with the Robert Wood Johnson Foundation. "When you look at it by a generation, you see how we got into this problem."

The study, based on 2010 data, says a dozen states top 30 percent obesity, most of them in the South. Mississippi topped the list for the seventh year in a row,

with Alabama, West Virginia, Tennessee and Louisiana close behind. Just five years ago, in 2006, Mississippi was the only state above 30 percent.

No state decreased its level of obesity, which is defined as a body mass index of 30 or more. The body mass index is a measurement based on weight and height.

There was a bit of good news in the report: Sixteen states reported increases in their obesity rates, down from 28 states that reported increases last year. Levi says those increases have been gradually slowing, most likely due to greater public awareness of health issues and government attempts to give schools and shoppers better access to healthier foods.

"We're leveling off to some degree at an unacceptably high level," Levi said.

First lady Michelle Obama has tackled the issue with her "Let's

Move" campaign, pushing for healthier school lunches, more access to fruits and vegetables and more physical activity. Some in Congress have pushed back somewhat against some of those programs, however, saying a rewrite of school lunch rules is too costly and questioning an Obama administration effort to curb junk food marketing aimed at children.

As in previous years, the study showed that racial and ethnic minorities, along with those who have less education and make less money, have the highest obesity rates. Adult obesity rates for African-Americans topped 40 percent in 15 states, while whites topped 30 percent in only four states. About a third of adults who did not graduate from high school are obese; about a fifth of those who graduated from college are considered obese.

Dr. Mary Currier, Mississippi's

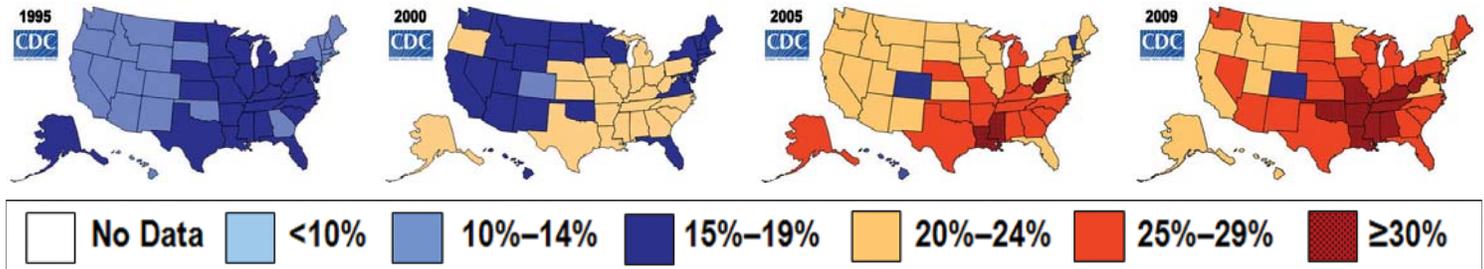
state health officer, says her state has struggled to drop its #1 status, and it has been challenging because much of the state is poor and rural.

"We live in an area of the country where eating is one of the things we do, and we eat a lot of fried foods," she said. "Trying to change that culture is pretty difficult."

She says the state has had some success by making school lunches healthier, taking high-calorie foods and drinks out of school vending machines and trying to find more low-cost exercise facilities for residents of rural areas.

"It is frustrating, but we've had some progress," Currier said. "We just have to continue to work at this. It's not something that's going to change overnight."

From the Associated Press, July 07, 2011



...Donna Krech

continued from page 3

they only focus on food. As a matter of fact, it's their business model! I've watched that industry for 25 years. But, you know there are three components to increasing a metabolic rate; food, cardio and resistance. If one is to lose weight successfully, they need all three, but once they've lost, they only need the last two to keep that weight off. Our clubs can be the perfect next stop for anyone who's lost weight. This is a good fact for an increased income option.

2. People with weight to lose spend 5 to 10 times more money than an average club member. They stay longer. They're loyal beyond belief. They'll walk you directly to the medical community for physician-referred programs, and they build up your wellness reputation faster than with fitness alone. Also, they refer twice as many friends. Why? Results. Now, with results comes service.

Let's look at the three industry mindsets:

1. This is a mindset that loves working with athletes, fitness enthusiasts and pretty much anyone who's competitive. This is where many in our industry are,

and it has served its purpose. People are in phenomenal shape due to this mindset. Typically, the model that reflects this mindset meets the audience they serve by offering a membership or personal training.

2. This mindset embraces the idea of offering multiple solutions. This says we are club people; we save lives. This makes business sense, and there is a lot more money here! This mindset is ready to add weight loss, life coaching, smoking cessation, medical improvements, bootcamps, group PT, supplements, etc. This is the one that is looking for ways to reach out to those that aren't fit at all. The leader with this mindset knows it will cause the club to fill up and personal training to explode!

3. This is the mindset that longs to make the biggest possible difference. This is evidenced by the club that has been offering multiple solutions for years, the one that has 50% of its members joining with 50 or more pounds to lose and has succeeded at helping that person fall in love with the benefits of exercise and the resulting fitness. This mindset said, "I love fitness, and we just need to adjust how we communicate with them. We'll get them, we'll help them and we'll keep them. We can save the world!" And, they're doing

just that.

Based on what we heard from government officials in Washington, D.C., the last two types of clubs will be seen by government and the public as wellness and whole solution providers. This is not just about providing weight loss. It's about wellness and prevention in the form of multiple solutions. Oh, and it's about your club making more money by touching more lives more significantly.

By the way, the low-price club isn't for or against someone with weight to lose. They may attract them, due to price, but they won't keep them, due to low service. Let's remember, that model is a low service model. It's about business. If your cash flow can handle it, I have to tell you, it sounds like the "old days." If you build it, they will come... Awesome! Is it the solution to making a bigger difference? No, it will make money though if you know how to market.

So, how does this help you make more money more easily? Make a decision to state exactly what you do with your community. It's that simple. Market and promote your club(s) with the clear message that speaks to the market you are passionate about. Determine if your desire is to just work with the fitness enthusiast and sell memberships or to change the

whole world by deciding to stop only selling memberships and start reaching out with multiple solutions... or, to keep it up if you've been doing this. You can continue to be a "We don't want FAT people in our club" kind of operator, or you can open a huge income opportunity door for your club by providing services directly targeted to the group that is now the majority of the U.S. population, the overweight and obese American.

It's time to stand and be counted. Let us know where you stand at www.moveformore.com. All opinions are anonymous. Enter your opinion or any question. All the answers will be shared with you, positive publicity for your club will be found and new memberships discovered. Our intention is to say to the nation that there are permanent solutions for all people, and our industry provides them all over the nation.

(Donna Krech is founder & CEO of seven fitness, weight management and life success companies including Fitness Solution 24/7 and Thin&Healthy's Total Solution. Donna's industry career spans a successful track record from 1982 to today - creating and growing business systems, result-producing programs and business models that remain ahead of trends. She may be reached at 419-991-1223)

“IF YOU WANT MY BUSINESS, STOP CALLING ME FAT.”

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...Norm's Notes

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and has done a magnificent job helping AUGIE and LYNNE NIETO raise funds to fight ALS, a/k/a LOU GEHRIG'S Disease. Additionally, he's done a lot of writing and is serving on several boards, to mention a few things this great "retired" man is doing. Big John, thanks for all of your hard work on Augie's Quest and congratulations to Augie and Lynne. Big John and all the committee members involved with Augie's Quest who have pushed the funding raising effort to a total of over \$28.7 million as of this writing.

•JEFF SKEEN, one of the principals of Titan Fitness Holdings, the McLean, Virginia-based fitness club company that has been operating his clubs under the Gold's Gym brand for years, is leaving the Gold's name. There has GOT to be something big behind the scenes to all of this because the bright and articulate Skeen once had a goal of making Titan Fitness the largest Gold's Gym Franchisee with a target of 60 locations. This keeps Gold's Gyms International (GGI) in the forefront of industry news this Summer as a rumor has been floating around that GGI, Inc. is negotiating to buy Bally Total Fitness. Also, just last month came the news that longtime and well-liked GGI leader, JOEL TALLMAN, had abruptly left the company. Then comes relatively new GGI, Inc. CEO, JIM SNOW, gracing the cover of CBI Magazine in July! The Titan exodus makes the number of major league Gold's Gym operators who've taken a hike on the Gold's name to three, as ROYCE PULLIAM pulled the plug and rebranded his Gold's to be Urban Active years ago and the GALIANI Brothers went to One Life Fitness. With the opening of the Urban Active here in Buckhead (an upscale area of Atlanta), Pulliam's club count is now up to 38. Along the way, Pulliam has upset a whole lot of customers in every market Urban Active serves (Kentucky, Ohio, Nebraska, North Carolina, Pennsylvania, Tennessee and Georgia) with way less-than-tight back office operations allegedly continuing

to collect money from people who've legitimately cancelled their memberships. But, recent news may be a glimmer of hope that Urban Active's back office is actually getting their act together. Lord knows Pulliam will be glad about that because word has it that the sale of Urban Active to LA Fitness blew up, at least partially, because Urban Active had 200 Better Business Bureau complaints that had not been responded to, and four of those ended up in lawsuits against Urban Active. Not exactly the kind of thing you would want on your books if you were seeking to sell your club chain and fetch a nice and fair price. Stay tuned!

•MIKE SILVA, the owner of The Edge in Ramsey, New Jersey, informed me in a recent email that he's relocating his club to Allendale, N.J. and opening a 2nd club in Oakland, N.J. He said, "Business is crazy! I'm doing very well and will always be a fitness guy, no matter what happens in this economy. This is all I have ever wanted to do. I LOVE IT!" Congratulations Mike! Best wishes to you with your club relocation and your new club, as well. Stay tuned, folks!

•My apologies to all of our readers, Club Industry and SAM POSA, because last month, when I mentioned in a Norm's Notes that Sam already had 87 exhibitors signed up for the Club Industry Show in Chicago October 13th and 14th, the phone number I provided was incorrect. Sam's correct phone number for folks to inquire about Club Industry Exhibit space is (800) 525 - 9154. Check out the exhibit numbers for our CLUB INSIDER Advertisers that will be exhibiting at Club Industry Below.

•Showing that the mess RON POLISENO inherited in the North Carolina Peak Fitness Clubs was really pretty bad, ZX Fitness has announced that they are closing their 3 ZX Fitness locations in North Carolina. As the new company started off after taking over 12 Peak Fitness locations and converting their name, ZX Fitness' Poliseño stated a couple of years ago, "The bottom line of the business plan of

ZX Fitness is to assert market dominance throughout the Carolinas." With the closing of the three North Carolina locations, I guess Ron will have to drop the s on Carolinas as the company goes from 12 locations to 9. Stay tuned!

•Congratulations and best wishes to BOB and KATHERINE SHOULDERS, as they've joined Retention Management (See Press Release Below).

•MARK URLAGE, formerly with Interactive Fitness Holdings/Expresso, has announced that he has accepted a position with TRX to lead North American Sales and Global Key Accounts. For those that may not know, TRX is a training company and creators of Suspension Training bodyweight exercise. The company has created a new exercise modality that is revolutionizing fitness and training programs everywhere by delivering functional and innovative training solutions for people of all fitness levels and abilities. Best wishes to Mark and the TRT folks. Mark may be reached at by phone at (508) 497 - 9306 (Office) or (978) 618 - 7404 (Mobile), or by email at murlage@TRXtraining.com.

•The Professional Tennis Registry (PTR) will host its third Tennis Club and Facility Conference October 5-7th at PTR Headquarters on Hilton Head Island, South Carolina. The 3-day event has been designed specifically for

tennis club owners, club managers and directors of tennis. For information, call (800) 421 - 6289 or (843) 785 - 7244.

•Some may not know that CLUB INSIDER is a Paid Subscription-based Publication. Are you a Paid Subscriber? If the words PROMOTIONAL COPY appear above your name and address on the cover of this month's edition, you are not a Paid Subscriber and are not enjoying the full benefits of a Paid Subscription to CLUB INSIDER. Don't delay, subscribe today by going to www.clubinsideronline.com/subscribe.

•God bless and protect our troops and all of our American servicemen and women serving in the Middle East and around the world. God bless you and your family, your staff and members. God bless everyone that's recovering from tornados and floods across our beautiful country. God Bless America!

(Norm Cates, Jr. is a 37-year veteran of the health, racquet and sportsclub industry. Cates is the Founder and Publisher of CLUB INSIDER, now in its 18th year of publication. Cates was IHRSA's 1st President, and a Co-founder of the Association with Rick Caro and five others, in 1981. In 2001, IHRSA honored Cates with its DALE DIBBLE Distinguished Service Award, one of its highest honors. Cates may be reached by phone at 770-850-8506 or email at Norm@clubinsideronline.com)

Retention Management Hires Bob Shoulders to Lead New Social Media Division

CHARLOTTE, N.C. - Retention Management, an industry leader in automated email communication, has hired Bob Shoulders to lead its new Social Media Division. Bob, a veteran of the fitness industry, served on the IHRSA Board of Directors from 2005 - 2010 and was the General Manager/Owner of the Fayetteville Athletic Club for 15 years. He and his wife, Katherine, will be working with a new team that has strong ties to the fitness industry and the social media industry.

"We are very excited about Bob joining Retention Management and leading our new social media initiatives," said Richard Ekstrom, President of Retention Management. "With Facebook having over 600 million users, Twitter with over 200 million users and FourSquare now up to 10 million users, social media continues to grow and is having a huge impact on our Industry. Similar to our email service

in which Retention Management executes the delivery for the club, our Social Media Division will also execute strategic social media initiatives and not just make recommendations. Our job will be to make it easy for fitness centers to develop a very strong social media presence."

"I am extremely happy to join Retention Management," said Bob Shoulders. "Our Social Media team brings over 50+ years experience in the fitness and social media industries and will focus specifically on a fitness center's needs. This is an exciting time for the industry and the growing communication platforms present great promise and challenges for clubs. Katherine and I are excited about this phenomenal opportunity to provide clubs with additional tools to be successful within the expanding world of technology and social media."

Make It Fun!

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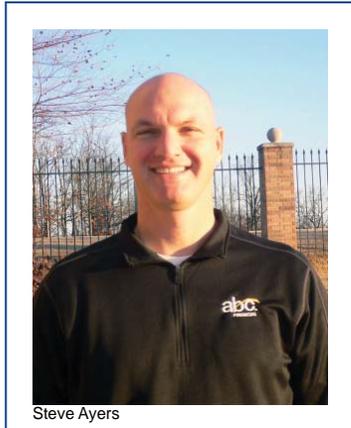
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industry but to also collect the most dues from the most club members, every day. We're devoted to staying on the cusp of industry evolution in service and technology. Plus, we'll continue to uphold only the highest level of commitment to our customers and their success. Because the strength of our company depends on the health of our relationships with customers, they remain a top priority at all levels of service. We continue to deliver cutting-edge technology with one goal in mind: Maximize revenue throughout the clubs we serve. For comprehensive billing services, the most advanced and up-to-date club management software, customized marketing programs and customer service that's second to none, choose ABC Financial.

www.abcfinancial.com



Steve Ayers

Steve Ayers, National Sales Director for ABC Financial, is the key "Go To" person at ABC Financial and may be reached at (800) 551 - 9733.



AFFILIATED ACCEPTANCE CORPORATION

Affiliated Acceptance Corporation (AAC) was founded in 1989 and based in Kansas City, Missouri, for 11 years. In 2000 the international headquarters was relocated to Sunrise Beach, Missouri at the beautiful Lake of The Ozarks. The founders had over ten years experience within the health club and martial arts industries prior to the start-up of AAC, which has provided a solid foundation to keep AAC a leader in service and technology above and beyond its competitors. Whether it is to provide a simple means to process membership receivables or to utilize AAC's full service billing, collections and software, AAC strives to keep our clients connected to their business. After 20 years of trust from our clients, commitment and dedication of our employees and continually being

a leader within the industry, AAC looks forward to the opportunities of the future.

www.affiliated.org



Melissa Layman

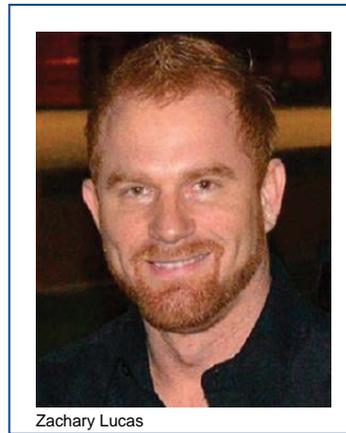
Melissa Layman, Client & Customer Relations Manager for Affiliated Acceptance, works with both clients and staff to ensure customers get the best service possible. Melissa has over ten years of experience in the fitness industry, beginning her employment with Affiliated Acceptance in 2000 as a Data Entry Associate. She may be reach at (800) 233 - 8483.



Apex Fitness - You set the goal; we provide the path. Founded in 1994, Apex Fitness has been the industry leader in providing weight management programs and nutritional products for health and fitness partners across the nation. As an innovative organization that continuously strives to be the top choice for individuals and organizations seeking simple, safe and innovative programs and products in the fitness, performance and nutrition arenas, everything we offer is based on knowledge, integrity and unprecedented service. At Apex, **our vision** is to provide solutions for fitness and nutrition goals through the use of both our programs and products. **Our passion** is to inspire new possibilities within any community and to provide proven solutions for success by being committed to our vision and guiding the world toward successful participation in fitness. We offer a vast assortment of premium nutritional products that are safe, effective and geared towards anyone looking to live a healthier lifestyle. **Our goal** is to build lasting relationships by delivering results! We're committed to our products and our customers, and we've made it simple, safe and effective... made for your healthy lifestyle!

www.myapex.com

Zachary Lucas, National Sales Manager for Apex Fitness, has 15 years of health club operating experience, from beginning



Zachary Lucas

his career at an entry level position to being the Vice President of Fitness for a large health club chain. Zachary has truly mastered every position within the health club industry and has an extensive background in leading successful production teams with a proven track record of profitable results. As the National Sales Manager for Apex Fitness, Zachary is excited to bring businesses true solutions that will enhance retail space revenue and drive profit by providing them with innovative products, business solutions and creative retail strategies called "The Apex Retail Solution." He may be reached at (800) 656 - 2739.



Body Training Systems' (BTS) mission is quite simple, to get more people moving! LET'S MOVE!® is more than a catchy slogan or tagline to us; it is a way of life we embrace. We're a team of 80 professionals with over 30 years of industry experience dedicated to one goal --your success-- and we pursue that success with spirit and passion. We work directly with club management and instructors, while hundreds of thousands of people experience our products each and every day. We provide Branded Group Fitness Systems and Retention Systems to improve club profitability. BTS puts it all together in a carefully designed system of proven effectiveness. It's a System of Management, Program and Training and Sales and Marketing that works. You'll see it in your profits. We have a series of group fitness programs that are carefully designed to deliver a simple, fun and effective experience: Group Power, Group Kick, Group Ride, Group Centergy, Group Step, Group Groove, Group Active and Group Core. We recently introduced Retention Software from our partners, The Retention People (TRP), and our newest product introduction, co-developed with TRP, is Group X Software that effectively measures and manages group fitness. With the launch of The Original STEP

worldwide in 1989, we embarked on our journey as a vendor servicing the industry. We fundamentally believe in getting more people moving. We pursue this through partnering with you and focusing on your success. It is our commitment.

www.bodytrainingsystems.com



Mike Campetelle

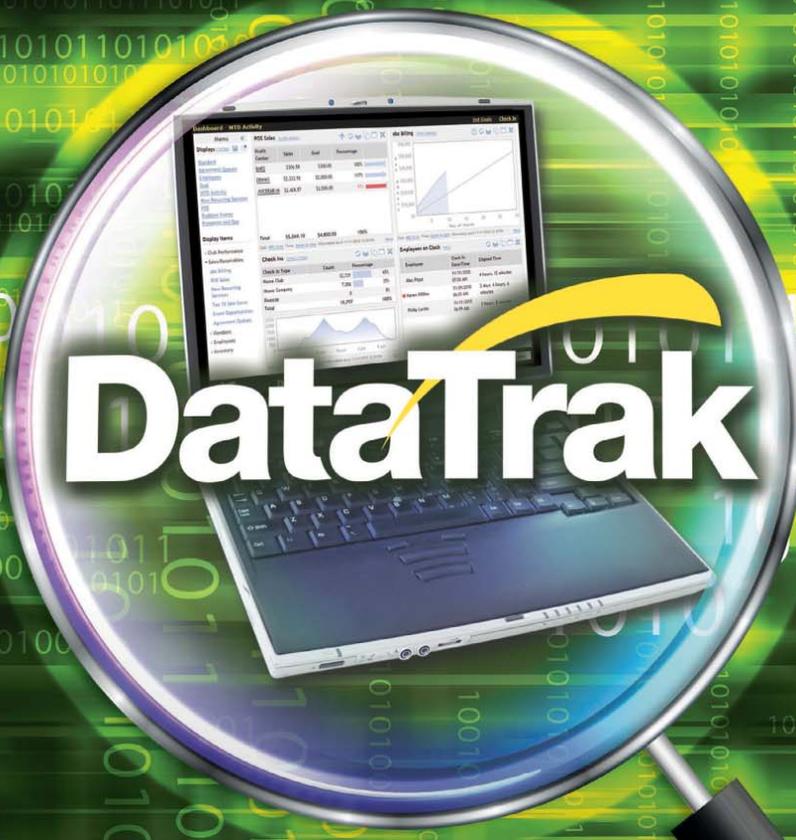
Mike Campetelle, Director of Sales for Body Training Systems, has been an established speaker, trainer and business consultant to professionals in the health and fitness industry worldwide. Mike has been in the industry for over 20 years and has experience as a Fitness Consultant, Sales Manager, Personal Trainer, Sales Trainer and a General Manager. Mike's career with BTS started as a Group Power National Trainer and evolved to his current position at the BTS corporate office. Mike brings a passion for the industry and a wealth of knowledge and experience to every owner and operator he works with to vastly improve their business with BTS products and systems. In Mike's earlier days, he competed in track and soccer and then attended West Point Military Academy. Now, he enjoys hiking, cycling and kayaking, and of course, Group Power and Group Ride. He may be reached by phone at (800) 729 - 7837, Ext. 230 or email at mikecampetelle@thestep.com.



Jeffrey Pinkerton

Jeffrey Pinkerton is an Account Executive with Body Training Systems and a National (See C.I. Advertisers Page 12)

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DataTrak

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ABC has always been known as the leader in customer and member services. Now we provide the most powerful software in the health club industry. Let us show you the power of DataTrak. Contact our sales team today at **1-800-551-9733** or visit us online at **abcfinancial.com**.



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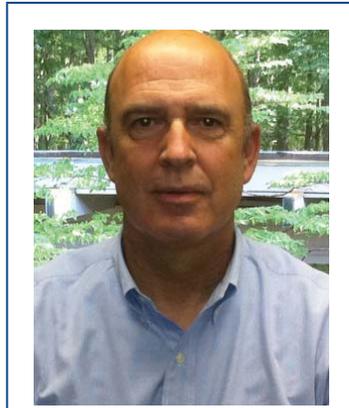
Trainer for BTS' indoor cycling program, Group Ride. Jeffrey graduated with honors from the University of Georgia with a B.S. in Biology. He spent the first 12 years of his career as an entrepreneur and successful business owner offering customers a raving fan experience. In 2007, Jeffrey decided to follow his passion for cycling and exercise and became a Group Ride instructor, which eventually led to his current role in the BTS corporate office. His experience as a small business owner, his passion for fitness and his love of technology, give him a unique, multi-dimensional perspective when working with club owners and group fitness directors. His goal is to help club owners experience more success by helping them evaluate and operate a more efficient and intentional business model. When Jeffrey isn't working hard, you can find him riding the rolling hills around Lake Lanier, coaching his son's soccer team or energizing his 5:30 AM Group Ride class. Jeffrey lives in the suburbs of Atlanta with his wife and four children. He may be reached at (800) 729 - 7837, Ext. 237 or email at pinkerton@thestep.com.

fiserv.

Fiserv (formerly CheckFree) - In today's competitive marketplace, the success of your business requires you to operate efficiently and reliably. Let Fiserv help you reduce costs, streamline processes and maintain a loyal customer base. As the leading provider of club management software solutions, Fiserv strives to provide innovative, intuitive, high-quality products and services that allow club managers to make better decisions through an integrated view of their club operations. With a long-standing reputation of providing enhanced services and solutions designed to meet the evolving needs of health and fitness clubs, combined with a strong commitment to excellent customer service, Fiserv offers a comprehensive suite of software and services that span the entire spectrum of the health and fitness industry. With nearly 30 years of industry experience serving the needs of the nation's leading health clubs, our software and services are designed to help you grow and retain membership, while minimizing your day-to-day operating costs.

www.clubs.fiserv.com

Mark Hutts, Vice President of Sales and Marketing for Club Solutions, joined Fiserv in 2009 and is responsible for directing and managing the business unit's overall sales strategy. Mark and his team



Mark Hutts

focus on growing the customer base and maintaining the highest level of customer satisfaction. Mark has a broad foundation of experience in executive level sales, sales management and consulting for 25 years in several roles, including sales coaching, marketing, sales operations and sales process design. Prior to joining Fiserv, Mark was a principle of InfoMentis, a sales force mentoring and consulting firm to top technology and financial services companies. Prior to InfoMentis, Mark managed and directed sales organizations for various software and services firms providing financial, human resources, procurement, business intelligence and enterprise contract management solutions. You are likely to find Mark at his local health club on weekday mornings, where workouts have been a regular part of his life for the past 11 years. He is also a regular on both the golf course, where he is trying to get his handicap back to respectability, and tennis courts. He may be reached at (800) 324 - 9800.

fitRewards!
REWARD YOURSELF EVERYDAY

fitRewards! is a member appreciation program designed to reward you with valuable prizes for your ongoing participation and hard work at the club. As a member of fitRewards, each time you complete a qualifying round, you'll earn points that you can accumulate and redeem for fantastic prizes! fitRewards was developed in 2005 by health club owners and a health club industry consulting company, New Paradigm Partners. Currently, the founding partners of the fitRewards team encompasses over 100 years of experience in the business. As health club owners and consultants, they were constantly looking for exciting ways for their own club and their clients clubs to reward their members specifically for referrals and to reward their top spenders. They thought it would be beneficial to have more than one standard reward for their members. Hence, the concept of fitRewards was born. From there, it has really evolved into a strategy that clubs have installed to help increase referrals,

retention and revenue. Many other industries have benefited from Rewards Programs. Like the hotel industry, airline industry, giant retailers like Petsmart, Barnes and Noble, Staples, and of course, everyone knows the infamous American Express Rewards. There is something to be learned from these other industries. Loyalty and reward programs are the best platform for retaining profitable customers, and it's easier and more cost effective to retain those profitable customers than it is to find new ones.

www.fitrewards.com



Mike Clark

Mike Clark, Executive Director of fitRewards, has been in the fitness industry for 10+ years. fitRewards, the fitness industries first points-based loyalty and reward program, currently services half a million members. In this role, Mike consults with club owners and managers across the country on the benefits of rewarding both members and employees to drive loyalty, engagement and profits. Prior to fitRewards, Mike spent eight years with LifeTime Fitness where he played a key role in the development, management and marketing initiatives of the companies' loyalty and rewards program, Member Advantage. Before that, Mike spent just over a year as Director of Athletics and Special events at a ClubCorp-owned athletic and tennis facility outside Chicago. Mike may be reached at (888) 239 - 5735.

GYMWIPES

Gym Wipes products are specially formulated to remove sweat and grime conveniently without harming workout surfaces. Eliminate the "Yuck Factor" of working out after "Joe Sweatyguy." Great for seat pads, leg and arm-rests, benches, hand-grips, chrome-plating, painted surfaces, steel and rubber surfaces, tanning beds and electronic panels, Gym Wipes solution and towelette has been developed hand-in-hand with equipment manufacturers and adheres to their input and guidelines. This product simply works and works the way fitness equipment

manufacturers want. It contains no alcohol, no ammonia and leaves no residue. The formula contains a specialized group of surfactants that clean the equipment in your gym, but they also are non-toxic and non-irritating to your clients. Containing 700 large (8" x 8") and durable towelettes, Gym Wipes stay moist and strong and have been specifically formulated to not dry surfaces out such as leather or rubber. This product will not shred, has plenty of moisture and feels good to the user. The GymWipes formula and towelette are also environmentally friendly as opposed to many other products.

Gym Wipes have also been tested among fitness users to create a product with the ideal functionality and effectiveness. In addition, clients appreciate the engineering and input utilized in the development of Gym Wipes. Clients feel cleaner when using Gym Wipes as they are able to use them on anything in the gym, such as seat pads, leg and arm-rests, benches, hand-grips, chrome-plating, painted surfaces, steel and rubber surfaces and electronic panels.

At 2XL Corporation, we take our product development and quality seriously, as we personally use them ourselves. Gym Wipes quickly, easily and professionally clean equipment while providing a product for your clients that is unsurpassed in usability, convenience and effectiveness.

www.gymwipes.com

Mike Gardner can be reached at (708) 344-1253 and **Tom Dolan** can be reached at (708) 344-1252.



iGo Figure's primary focus is creating a high quality software product that effectively manages member and customer information, provides easy payment processing and money management, tracks inventory, includes robust reporting capabilities and reduces the time and effort involved with successfully running a business. Customer service is our highest priority. Members of our sales and technical support teams are available to assist you, and we're here when you need us!

www.igofigure.com

Kyle Zagrodzky, Founder and President of iGo Figure Software, entered the health (See C.I. Advertisers Page 14)

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NEW APP! MAKE MY CABLE.

Specify and order your custom
cables online!

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Kyle Zagrodzky

and fitness industry as a martial artist. After earning a first-degree black belt in several forms, including Kung Fu, Ju-Jitsu and various weapons, Zagrodzky trained students in several forms of karate. Later, Zagrodzky and his wife, Brenda, opened nine fitness centers and earned Curves franchisee of the year. Needing a management system to run his clubs, Zagrodzky set out in 1998 to develop a comprehensive, all-inclusive membership and club management software at an affordable price, culminating in iGo Figure Software. Now translated into 14 languages, the software is used in thousands of fitness facilities in more than 50 countries. He may be reached at (877) 463 - 4487.



Iron Grip Barbell Company - Founded in 1993, Iron Grip Barbell Company quickly rose to prominence through the introduction of a revolutionary new design for weight plates. At the 1993 IHRSA convention, Iron Grip launched the first and only weight plates with integrated handgrips and a unique 12-sided design. This breakthrough became the company's signature product and represents the most significant improvement to the industry's oldest fitness equipment, the iron barbell and weight plate.

Over the years, Iron Grip has grown to be the largest provider of commercial free weight equipment in the world and is the only manufacturer with a line of free weights made exclusively in the USA. The premium, American-made *Iron Grip* line features the patented Iron and

Urethane Olympic plates with opposing handgrips and maintenance-free welded Urethane dumbbells. Iron Grip's *IGX Strength* line offers unmatched quality and durability in its class. And for group fitness, Iron Grip's *Group Strength* equipment offers commercial-quality plates with integrated handgrips for superior safety and versatility. Iron Grip equipment can be found in premier fitness facilities in over 60 countries, including major health club chains, independent gyms, YMCAs, professional and university athletic training facilities, corporate fitness centers, hospital and medical wellness facilities, as well as police, firefighter and military fitness facilities worldwide.

www.irongrip.com



Donna McCallum

Donna McCallum, Vice President of Sales for Iron Grip Barbell Company, began her professional career as a corporate buyer for Nordstrom. Throughout her 12 years with the company, she travelled extensively, searching for unique cosmetics products throughout Europe and branch stores in her Western U.S. territory. Her cosmetics buying experience led her to accept a sales position as regional manager for the international prestige cosmetics firm, the Lancaster Group. She honed her sales skills during her seven years in the field with Lancaster. During this busy time, she also developed an interest in fitness, and in particular, strength training. She joined Iron Grip Barbell Company in 1999, where her hands-on experience in the gym, coupled with her years spent in the corporate and retail world, made her a natural fit. She has been with the company for over ten years now, and in that time, Iron Grip has grown into the largest commercial free weight manufacturer worldwide. In her spare time, Donna keeps up with her strength training in the gym and stays active outdoors by hiking, camping and playing beach volleyball near her home in Tustin, CA. Donna may be reached by phone at (800) 664 - 4766 or email at donna@irongrip.com.

JLR Associates is an executive search company specializing in the health, fitness and wellness industry, placing senior



level management in all areas of the industry. JLR Associates maintains a rich database of qualified candidates and resumes for a variety of fitness industry positions, augmented by an extensive network that facilitates every search. Many of these individuals are not actively seeking new employment and will not be discovered by a traditional candidate search. Once a client engages JLR, it embarks upon its proven *Four-Steps to Success* system:

Search - With the client's job description, qualifications and salary range in hand, JLR Associates jumps into action, searching for the right candidates to present for consideration.

Present - It will then present recommended candidates to the client along with comprehensive pros and cons of each.

Interview - It prepares the client for the interview process and arranges the interviews and a post-interview recap.

Offer - It works with the client to structure and negotiate the right compensation package in order to secure the chosen professional.

www.jlrassoc.com



Jeff Randall

Jeff Randall is a veteran of the fitness industry with over 30 years of experience. Prior to forming JLR Associates, Jeff owned and operated commercial and private fitness clubs and has interviewed and hired hundreds of health club management professionals. His industry roots run deep

with countless contacts from all over the country from which to draw on when doing a search or placing a qualified professional. He may be reached at (781) 251 - 0094.



National Federation of Professional Trainers (NFPT) has been certifying personal trainers since 1988. It seeks to equip trainers and their clients with educational tools and program design know-how in order to make a positive impact on preventative health care and to further the promotion of fitness around the world. Everyday, NFPT certified trainers go to work in gyms, health clubs and private fitness studios. Those who successfully pass the NFPT Certification assessment will receive an accredited Certified Personal Trainer (CPT) credential, a recognized industry certification that can be put straight to work! NFPT offers an affordable option for CPT certification, with financing available and over 300 exam locations for your convenience. NFPT Certification can provide you with the affordability and convenience that you prefer and the credibility and support that you need to enhance your personal training career. Hands-on workshops for certification prep or personal trainer enrichment are also available in health clubs and classrooms across the United States and abroad. NFPT provides certification enrollment discounts to current health club staff members, and all NFPT certified trainers are eligible to receive continuing education credits at no cost! Your success as a trainer is our commitment.

www.nfpt.com



Angie Pattengale

Angie Pattengale, a graduate of Purdue University's Krannert School of Business Management, has worked with National Federation of Professional Trainers (NFPT) (See C.I. Advertisers Page 16)



car·rot

n. Reward offered for desired behavior



Have you ever struggled to find new and exciting member referral promotions? Hunted high and low for attention-grabbing incentives?

fitRewards! is the answer.

Recognize your members and give them the rewards they *really* want. With **fitRewards!** members earn points redeemable online for a huge selection of fine brand-name merchandise and valuable rewards every time they refer a friend or make a purchase at your club.

Discover how **fitRewards!** can improve the bottom line in all your profit centers and grow your business.

fitRewards! keeps members coming back for more...

increase referrals

boost retention

generate revenue

build loyalty

"fitRewards has helped us communicate with our members and foster better retention. It has and been a catalyst in generating more member referrals.

Their online program alone has brought us referrals. In addition, we have improved our email saturation from 19% to 46% in a very short time! We are extremely pleased with the program and the results it's given us."

*Kim Kenyon & Bill Austin
With Gold's Gym Hudson Valley*

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since 1992. Angie has written for professional publications such as Club Business International, **CLUB INSIDER**, Personal Trainer Today, local Faith Ministry blogs and other various contributions. Her past speaking engagements include topics of international business to students of Purdue's Krannert School of Management as well as collaborating in panel discussions regarding certification business relations. Angie shares a passion for the fitness industry that goes beyond her nearly 20 years of professional experience. Her specific focus includes furthering the certification industry standards and enhancing the recognized value of personal trainer services through various certification and continuing education development efforts. She may be reached at (800) 729 - 6378.



National Gym Supply - Since Jon Webster started **National Gym Supply**, it has continued to grow over the past 19 years. In fact, it recently took advantage of the recession-caused, soft California commercial real estate market to acquire space that it needed for now, and the foreseeable, future. The most recent expansion into a newly leased building in Los Angeles in May, was National Gym Supply's 4th expansion, and it nearly tripled the business size from 15,000 to 40,000 square feet. This major growth thrust will give the company plenty of room to upgrade its electronic repair space, buy and inventory parts and necessary products in greater volume, and it will accommodate future growth as is necessary.

The nearly tripling of its commercial space will allow the company to better, and more economically, serve its current customer-base of over 20,000 gyms and fitness centers worldwide. The company not only provides phone consultations for its customers, to troubleshoot fitness machines that are down, their website, www.nationalgymssupply.com, also provides customers with the ability to troubleshoot problems, select necessary parts and place orders online.

National Gym Supply supplies parts and service for equipment made by the following companies: BodyMaster, Concept 2, Cybex, Expresso Fitness, FreeMotion, Hoist Fitness, Keiser, LeMond, Life Fitness, Magnum, Matrix

Fitness, Maxicam, Nautilus, Precor, Quantum Fitness, Schwinn, SportsArt, Stairmaster, StarTrac, Technogym and more. You may reach **National Gym Supply** at (800) GYM - PART.

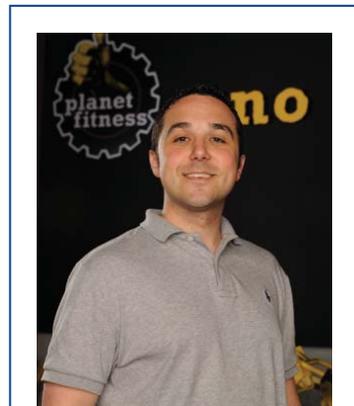
www.gympart.com



Planet Fitness - Planet Fitness is here to provide a unique environment in which anyone can be comfortable. A diverse, *Judgment Free Zone* where a lasting, active lifestyle can be built. The product is a tool --a means to an end-- not a brand name or a mold-maker, but a tool that is provided and can be used by anyone. In the end, it's all about you. As the company evolves and educates itself, it will seek to perfect this safe, energetic environment, where everyone feels accepted and respected. It is not here to kiss your butt, only to kick it if that's what you need. It needs you, because let's face it, our planet wouldn't be the same without you. You belong!

As the most innovative health club brand in the United States, Planet Fitness is known for a lot of things: its absurdly low prices, its Lunk Alarm, and most of all perhaps, its Judgment Free Zone philosophy, which means members can relax, get in shape and have fun without being subjected to the hard-core, look-at-me attitude that exists in too many gyms.

It doesn't have any salespeople, and it doesn't bother with all the extras, like juice bars and child care that drive up costs and can make a gym membership seem more like a car payment. Instead, it



Mark Christie

has boiled its business down to the things that you really want in a health club: clean, stylish, hassle-free facilities that are filled with tons of brand-name cardio and strength equipment and a lot of happy people. If you're looking for a comfortable, friendly place to exercise, and like a great deal, then you'll love Planet Fitness.

www.planetfitness.com

Mark Christie, Director of Development for Planet Fitness, may be reached at (603) 750 - 0001, Ext. 104 or mark.christie@planetfitness.com.



REX Roundtables for Executives is the premier process for executives who want to improve the performance of their organization and the quality of their life. REX brings non-competing CEOs of leading companies in the same industry together on a regular basis to learn from each other and from our experienced chairpersons. Each Roundtable of approximately 14 CEOs meets three times a year. The group shares successes, solves problems, challenges and supports one another. This is best practices in action. REX Roundtables do not focus on average industry performance but looks at the top ten or twenty percent. Roundtables now operate in several industries, and more are being added each year. REX Roundtable members are all executives, usually the one who owns or heads up the organization although some roundtables consist of senior executives who report to the leader of the organization. It serves a mix of non-profit institutions and for profit businesses. The REX community is committed to supporting one another professionally and personally.

REX supports Roundtable chairpersons by providing training, mentoring and ongoing support for experienced executives and active consultants who wish to become roundtable leaders. It helps chairpersons for their roundtables in the corporate, government and/or non-profit world; guide them in marketing to build their round table(s); train and mentor them in the unique REX process of chairing a round table; and finally, REX supports their roundtables with extensive, value-added resources. There are low upfront costs for the prospective chairperson, except the investment of time and some travel expenses to learn about REX and become a trained leader. Active chairpersons pay a 7% royalty of their roundtable income to support the REX process, develop new resources and pay REX partners a profit. REX also seeks experienced chairs now leading their own roundtables to join the REX community and accelerate their professional and personal growth. REX chairpersons are part of a growing community of unique

coach/consultants/teachers who share a commitment to forming and chairing round tables of executives. REX Roundtables can be reached at (617) 481 - 9414.

www.rexroundtables.com



Sports & Fitness Insurance Corporation - Founded in 1985, Sports and Fitness Insurance Corporation has focused solely on the fitness industry, developing the expertise and in-depth knowledge to ensure that you and your club are fully covered. It is a customer-focused program administrator that meets insurance needs worldwide for fitness centers, health clubs, racquet clubs, martial arts schools, personal trainers, dance schools and yoga instructors. Its staff has over 35 years combined experience in the fitness industry, from serving on President Bush's Fitness Council to owning and operating health clubs, to serving in management with equipment manufacturers. Its fitness and athletic background is unmatched in the industry. Further, its underwriting staff has well over 100 years underwriting experience, mostly within the fitness industry. In short, it brings not only the insurance experience but also the hands on experience in the health and fitness industry, necessary to tailor products to fit your specific needs. It is licensed in all 50 states and endorsed by numerous organizations such as Curves For Women.

www.sportsfitness.com



Jennifer Urmston Lowe

Jennifer Urmston Lowe, National Account Manager for the IHRSA Insurance Program Sports & Fitness Insurance Corporation (SFIC), has been with the company as a licensed insurance agent insuring health clubs and fitness centers since 1998. (See C.I. Advertisers Page 18)

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She has functioned as SFIC's National Account Manager since then. Prior to joining SFIC, Jennifer was the General Manager of two personal training fitness centers and three corporate wellness centers in the Charlotte, NC market. She became certified as a personal trainer in 1995 and has conducted thousands of training sessions and managed a staff of personal trainers. Jennifer graduated from the University of North Carolina at Chapel Hill with a Bachelor of Science in Business Administration. As the daughter of John Urmston, former Chief Operating Officer of Nautilus, Chairman of the Fitness Products Council and member of the President's Council on Fitness, Jennifer grew up in the industry and began attending Nautilus Seminars in the 1980s. She may be reached at (800) 844 - 0536.



Susan K Bailey Advertising - At Susan K Bailey, the mission is to create effective marketing that demonstrates the positive results that fitness can bring to life. It offers original, market-tested promotions, creative designs and compelling copy. In its 20+ year history, it has established strong working relationships with hundreds of health and fitness centers, giving it a unique perspective on the industry and how to develop successful marketing strategies that reach and inspire prospective members. Its strongest belief is that direct marketing is the most targeted, attention-grabbing and effective approach to advertising ever invented. Direct marketing is its first love, and it will make it your secret weapon.

Some key benefits of working with Susan K. Bailey:

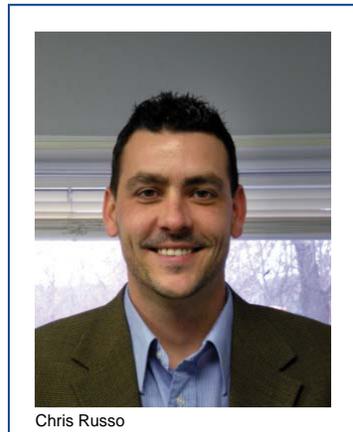
- Its understanding of the health and fitness industry;
- Communication and rapport with the client and its marketing objectives;
- Its ability to create original concepts and designs;
- The development of an effective appeal with emotional connection to compel the audience;
- Maintaining consistency of style throughout a campaign;
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Chris Russo

Chris Russo may be reached at (888) 349 - 4594.



The STEP Company - Created in 1989, it introduced the fitness industry to the benefits of Step training. The Step® is trademarked in the United States and major countries around the world. Over 25,000 health clubs worldwide have chosen The Original Step for their members.

www.thestep.com



Jack Irwin

Jack Irwin grew up in a health club and has been around the fitness industry for most of his 27 years. He handles commercial sales of all group fitness related products including Steps, weights, storage racks, Step mats, Yoga mats, etc. Jack may be reached by phone at (877) 296 - 9990, Ext. 327 or email at jackirwin@thestep.com.

Thin & Healthy's Total Solution - As a result of working with the company, clubs have increased income up to five times.



Your members will get maximum results, increasing retention and attracting up to 80% of your community's population. It is actively seeking qualified fitness centers to partner with this life-changing addition to your business. Apply now for a free Total Club Profit Planning Session and to see how to qualify for the next explosive trend in the industry. It is coming to your area. Will you be the club in your market that provides the Total Solution with the true competitive edge, or will it be your competitor?

www.thinandhealthy.com



Donna Krech

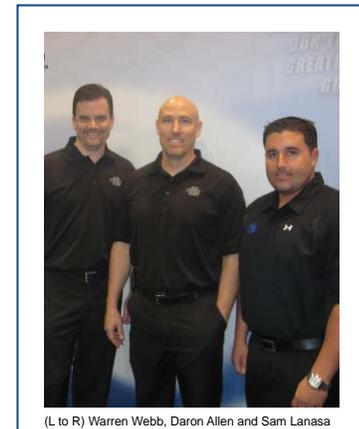
Donna Krech is an accomplished, industry veteran. Her club is a living laboratory where she and her team face and win fitness business challenges every day. Sharing this knowledge allows her companies to serve others throughout the world, providing duplicable, result-producing approaches to success in marketing, sales, service and leadership. Teaching clubs how to thrive with the five automatic income streams that all could add, but most miss, Thin&Healthy has 125+ locations doubling and tripling income. An author and featured in many national publications, Donna is a contributor for SUCCESS magazine, has hosted two national television shows, published two magazines and spoken in more than 30 countries. She may be reached at (419) 991 - 1223.

Visual Fitness Planner - The Visual Fitness Planner (VFP) technology sets the health club industry standard for sales



and marketing by providing a turn-key system for marketing and capturing and integrating new members into a healthy lifestyle change. It automates your existing sales, marketing and orientation systems with the power of our visually impacting technology. VFP calculates a person's health risks for diseases, predicts his "health age," creates a 3-D image of his body and calculates exactly how long it will take him to achieve his goals... and in this process, increases personal training sales and member retention. Visual Fitness Planner may be reached at (877) 837 - 1212.

www.visualfitnessplanner.com



(L to R) Warren Webb, Daron Allen and Sam Lanasa

Daron Allen, Warren Webb and Sam Lanasa and may be reached at (877) 837 - 1212 (Ext. 1 for Allen, Ext. 6 for Webb and Ext. 7 for Lanasa).

(Norm Cates, Jr. is a 37-year veteran of the health, racquet and sportsclub industry. Cates is the Founder and Publisher of CLUB INSIDER, now in its 18th year of publication. Cates was IHRSA's 1st President, and a Co-founder of the Association with Rick Caro and five others, in 1981. In 2001, IHRSA honored Cates with its DALE DIBBLE Distinguished Service Award, one of its highest honors. Cates may be reached by phone at 770-850-8506 or email at Norm@clubinsideronline.com)

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THE 10 KG SIDE RACK

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Sharing: Trend or Fad?

It May Change Our Industry

By: Will Phillips

When several trends overlap and reinforce, like waves, they create an even stronger trend or wave. The first trend is the long-lasting impact of the recent recession, which has had enough impact on consumer's buying habits to merit articles about the "new consumer" in a number of major business magazines and journals. The profligate spending, which contributed in part to our real estate and stock market bubbles leading up to the 2008 recession, is gone. The new consumer is cost conscious, conservative and looking for specific benefits from every purchase.

The second trend is our emerging capacity to share almost anything largely as a result of the Internet. Lisa Gansky gave a recent TEDx talk in Detroit to some 300 Motor City executives. She asked what percentage of time the average person uses their car. A few guessed, but no one was prepared for her data. "Across the United States, Canada and Western Europe, it's 8%. That means that over 90% of the time, this thing that costs us a lot of money is just sitting around." One result of the cautious consumer and Internet sharing is the phenomena of shared cars, epitomized by Zipcars. They have a fleet valued at over \$90 million, and Zipcars has yet to return a profit. It may never! It is being challenged by a new form of ride sharing, RelayRides, Zimride, Spride and Getaround. These platforms do not own or maintain cars. They simply enable the sharing of autos already owned.

The average person using one of these services makes \$250 a month renting their car. Some offset their entire car payment. The leader, RelayRides, is backed by August Capital and Google Ventures. In Germany, Daimler has created its Car2Go service similar to Zipcars, except it doesn't require a reservation or a two-way trip, like free bicycle programs, drive it where you like and drop it off.

A Frost & Sullivan study from 2010 estimates the car sharing market is soon to be in the billions. This all makes ultimate sense with the increasing conservative spending of the new consumer and the automobile becoming more of a commodity than a personal statement.

Both Best Buy and Lowe's are contemplating how consumer sharing may impact their retail businesses. The sharing concept has moved into the hotel world with airbnb.com, which is one of the hottest sharing websites. It is the place where you can rent other people's floors, rooms, homes and yachts. Airbnb claims that, if you add up all their listings in New

York City, they're ten times larger than any hotel, and they have something on almost every single block in the city. Currently, Airbnb is growing at 45% month to month.

Sharing cars, beds and meals allows consumers to go direct and remove the cost of the middleman. **Gobble.com** enables you to purchase meals prepared and delivered by others in your neighborhood. **NeighborGoods.net** is the backyard fence where homeowners can share almost anything in their house.

Access trumps ownership saves money and reduces clutter. Gartner Group estimates that peer-to-peer financial lending will reach \$5 billion in about two years. Others estimate the consumer peer-to-peer rental markets will be a \$26 billion sector and that the total sharing economy is close to \$110 billion. So who's interested in these warm, fuzzy sharing activities? Google Ventures, Sequoia Capital, Greylack Partners and August Capital; these are the firms putting in the start-up cash.

What Does This Mean For The Health Club Business?

Sharing may well solve retention. Many clubs have explored different systems for keeping a membership active when a member decides to cancel. In one club, when members still had a contractual obligation left on their membership commitment, they were encouraged to sell it to another person. In another club, they would list the number of members that had left the club and promoted the transfer of these memberships to new members with no joining fee.

One of the larger operators in Europe is successfully using a true-shared membership. Once the membership is purchased, anyone may use the access card as long as the account is current. Imagine a group of students living together and sharing a single health club membership dramatically reducing their cost. If someone finds that the card is gone because one of their buddy's is using it, it inspires them to purchase another membership. More significantly, as the students graduate and leave their apartment, the membership card may still stay active with the new people moving in. It is conceivable that such a card would never be cancelled.

This increases the usage in your club, but isn't that what our business is all about (meeting customers' needs)?

It appears that low-cost, \$10 a month in the United States or \$25 a month internationally, still has the same rate of attrition as higher-priced clubs. Thus, low costs may make it attractive to join but not to

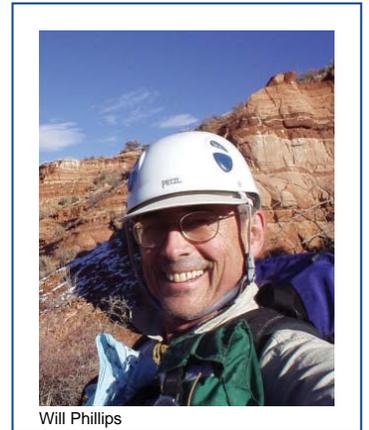
stay. The shared membership card does both.

The Future

Consider an online way that allows a member to seamlessly and quickly transfer their card to another person. There is no need for you to be involved in the replacement sale. Now, consider a membership that can be jointly purchased by a number of people online with the cost of the membership split among their different accounts. With the membership being paid for from five accounts, there is less likelihood of it being cancelled. And if one fails to pay, the balance is dispersed to the other accounts. This could be an interesting motivation tool to keep all who share the membership more committed as exercisers with no effort on your part except to design a next generation business model.

Can You Get Out of the Box?

We all talk of wanting to be out of the box. Getting out of the box, meaning doing things that are new, different, untried and being on the frontier. It's like doing a first ascent in mountaineering. No one knows if the new route will go or not, and no one has any idea of what that route actually looks like. But, for the last 170 years, human beings have continued to make first ascents in the mountains, in technology and in their business models. In mountaineering, we call those who consistently knock off challenging first ascents "hard men." In the business world, we call them entrepreneurs, those who are willing to absorb risk, while exploring new adventures and creating new opportunities. These two emerging trends of consumer caution and sharing are changing the way people drive, where they sleep and how



Will Phillips

they eat and spend their money. Maybe you should get out of the box and consider shared memberships.

Resources:

The Shared World: Fast Company, May 2011 (from which much of this material comes from)

What's Mine Is Yours. The Rise of Collaborative Consumption: This could be as big as the Industrial Revolution in the way we think about ownership by Rachel Botsman

The Mesh by Lisa Gansky

(Will Phillips is founder CEO of REX Roundtables which operates health club Roundtables for single clubs, multi clubs and chains worldwide. Go to www.REXRoundtables.com for more information and you may contact Will at Will@RexRoundtables.com)

REX Roundtables Announces New Trusted Vendor Relationship With Visual Fitness Planner

BOSTON, MA and FORT WORTH, TX - REX Roundtables, Visual Fitness Planner (VFP) and InTouch Follow-Up (InTouch) have entered into a Trusted Vendor Relationship whereby VFP and InTouch have agreed to develop technology *Best Practices Solutions* that all REX Roundtable members will have the ability to access.

"One of our goals is to continually look out for the best interest of our participating members and add significant value to being a member of our group. We believe that this relationship accomplishes those goals and aligns with our core

values," said Will Phillips, Founder and CEO of REX Roundtables.

"Visual Fitness Planner has delivered innovative technology to eighteen REX Roundtable Members over the past eight years. InTouch currently has fifteen REX Members as customers. We are committed to providing technology solutions and ongoing support to the best operators in the world. As part of this commitment, we have developed a great opportunity for REX Members to gain special incentives and share within your Roundtable the

(See *REX Roundtables Page 22*)



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Whadaya Know?

By: Karen Woodard-Chavez

When you read the title to this article, you might be thinking one of two things: (1) Geez, Karen does not know how to spell or (2) A smile may come across your face as it reminds you of the show on NPR that quizzes people about current events. What does this have to do with how we operate our businesses?

The quiz show format is how we will relate the content of this article to our businesses. At your business, you may have spent time and money training your staff, developing resources to operate by to create a consistent brand, and we assume that everyone knows them and uses them. Guess what... I am sorry to say that is probably not the case unless you consistently check up on it. This is where "Whadaya Know" comes into play.

I have spoken to numerous clients who want to pull their hair out when they realize that their staff are unaware of or are not utilizing the tools that have been provided for them for ongoing development. This is clearly not a good thing, but it's also not uncommon.

According to the Harvard Business Review, only 10% of the US population has what's called "the learning mindset." These are people who seek out and enjoy learning, then actually do something with it. The other 90% of the population will not look to improve their skills unless they have it as part of their job

National Gym Supply Expands for Now and the Future

By: Norm Cates

If you've owned and operated your fitness center, gym or sports club for a while, you and I both know that fitness equipment breakdowns cause more headaches for you than, perhaps, any other challenge. There's nothing worse than not being able to get a machine repaired quickly and put back in action in a reasonable amount of time.

Since Jon Webster started **National Gym Supply**, a 17+ year **CLUB INSIDER** advertiser, they have continued to grow over the past 19 years. In fact, they recently took advantage of the recession-caused, soft California commercial real estate market to acquire space that they needed for now, and the foreseeable future. The most recent expansion into a newly leased building in Los Angeles in May, was National Gym Supply's 4th expansion, and it nearly tripled the business size from 15,000 to 40,000 square feet. This major growth thrust will give the company plenty of room to upgrade their electronic repair space,

requirement. How does this compare to the population of your current staff?

Answer the following questions about your organization:

1. Do all employees perform each aspect of their job with a high degree of excellence and consistency?
2. Are results predictable because training and skills are consistent?
3. Would each supervisor give a similar answer for each question or problem?
4. Would each employee give a similar answer for each question or problem?
5. Is member treatment consistent, no matter whom the member deals with?
6. Do all staff members know what is considered excellent performance and attitude?

If you answered "No" to any of the above questions, you aren't serious enough about training or following through on your training.

The following are assumptions:

1. You have training materials, defined processes and plans you expect all staff to deliver for consistent operations.
2. You have actually trained everyone on them consistently.

If the aforementioned assumptions are not correct, then consider the first assumption to be Step 1. If these assumptions are correct for your business, then proceed to Step 2.

buy and inventory parts and necessary products in greater volume, and it will accommodate future growth as is necessary.

The nearly tripling of the their commercial space will allow the company to better, and more economically, serve their current customer-base of over 20,000 gyms and fitness centers worldwide. The company not only provides phone consultations for their customers, to troubleshoot fitness machines that are down, their website, www.nationalgymssupply.com, also provides customers with the ability to troubleshoot problems, select necessary parts and place orders online.

National Gym Supply supplies parts and service for equipment made by the following companies: BodyMaster, Concept 2, Cybex, Espresso Fitness, FreeMotion, Hoist Fitness, Keiser, LeMond, Life Fitness, Magnum, Matrix Fitness, Maxicam, Nautilus, Precor, Quantom Fitness, Schwinn, SportsArt, Stairmaster, StarTrac, Technogym and more. You may reach National Gym Supply by phone at (800) GYM - PART.

Step 2 is the implementation of a weekly quiz every week, every month of the year every year. You may be rolling your eyes thinking, "Isn't that uber repetition?" My answer to you would be, "yes." That is the point, and that is what makes training stick with the result of going from learning to doing. The simplest form of education is memorizing. Once that takes place, then implementation/habit can occur, with follow through from management.

Let's get back to the quizzing. Inform your staff of your intentions which should be to:

"We will be implementing weekly 'Whadaya Know' quizzes every Monday that are to be completed by 8PM. All staff are expected to complete the quizzes. The purpose of this is to insure that we all know and are doing what is consistently representing our brand based on our training materials and systems which will provide the highest level of service to our Members and Guests."

The quizzes should be 5 - 10 questions each and be relevant to the staff being quizzed. Consider the following topics for quiz questions:

- The vision of the business;
- The mission of the business;
- The core values of the business;
- Our points of differentiation;
- The history of the business;
- Any member policies;
- Any staff policies;
- Any operating policies;
- Any programs the club offers;
- Expected behaviors;
- Dress code;
- Training protocols;
- Specific department issues/procedures.

As stated earlier, the quizzes need to be completed and turned in by 8PM on Monday. They can be done manually or electronically with

...REX Rountables

continued from page 20

very best in technology through *VFP Best Practices*," said Daron Allen, President/CEO of Visual Fitness Planner.

"InTouch Follow-Up increases staff efficiency and takes out human error by scheduling *What's Next* for every lead and member. Never again will staff forget to book the next call or send out the next email; every interaction they have follows your systems, every time!" says Scott Johnston, Founder of InTouch Follow-up. "Four out of five clients surveyed directly credited InTouch Follow-Up in increasing membership sales by 34%."



Karen Woodard-Chavez

www.surveymonkey.com or www.zoomerang.com.

Some of you reading this may think that this can be perceived as punitive. Quite the contrary... This program is designed to be a support for the staff to be able to do their best. Additionally, it can be a unifying force when you share the results with the staff each week in the spirit of "here is where we are as an organization with x% being clear on ____ and x% not being clear. Let's all help each other so we can get to 100% of staff knowing and doing the same thing on questions 1 and 2 by ____ date."

The results of the quizzes will be very revealing to you regarding what your staff knows or does not know, which in turn, will provide a platform for future training to provide the consistent and predictable results you expect.

If you would like a sample quiz, please feel free to email me at karen@karenwoodard.com.

(Karen is President of Premium Performance Training in Boulder, Colorado and Ixtapa, Mexico. She can be reached by phone at 303-417-0653 or email at karen@karenwoodard.com)

The health club industry has a significant issue in generating new leads, ensuring consistent follow-up, as well as increasing the closing ratios for membership and personal training. The combination of Visual Fitness Planner and InTouch Follow-Up provides the ideal solution, consistent prospect follow-up, improved membership and personal training sales as well as ensuring consistent, automated member follow-up and member on-boarding systems. Visual Fitness Planner distributes TouchPoint, powered by InTouch Follow-Up, to the United States, creating the *complete* sales solution for the industry.

Multiple Ways to Generate Leads This Summer

By: Casey Conrad

Traditionally, summer is dreaded by both salespeople and club operators alike. Membership and prospect traffic slows as people enjoy the nice weather and fall out of their normal routine. Of course, this means fewer sales, less revenue and smaller commission checks, which doesn't make anyone happy.

My perspective on summer is a bit different. First of all, you must take the downs with the ups. Believe it or not, contrast makes the ups feel even better! That may not sound very comforting or motivating in July, but if sales were steady year round, there would be no January/February rush. The reality is that very few industries enjoy consistent, month-to-month sales. As professional fitness salesperson, you must pace yourself and organize your efforts in a way that maximizes the ebbs and flows of consumer traffic in our business.

The summer presents itself with downtime you actually need to focus on the lead generation activities that will reap rewards for months to come. This article will provide you with some proven summertime lead generation activities, as well as point out key strategies you should follow to ensure success.

First, let's start out with the strategies. The absolute key to lead generation success is putting in consistent time on your efforts. I know that sounds so obvious that I shouldn't need to waste the ink on this paper (or your time reading it). The truth, however, is that *failure to discipline oneself to work on lead generation daily* is why most salespeople fail at it.

Procrastination is the culprit. The result is that, instead of going out one hour a day, most salespeople go out for longer blocks of time once a week or even every other week. This is a recipe for disaster for two big reasons. One, it's no fun to pass out fliers or talk to businesses for three or four hours. You get burned out, make bad choices or have rushed interactions because you are thinking about the potential walk-ins you might be missing. Two, like a club member who only uses the club once a week or every other week, the lack of consistency won't produce a result. When it comes to self-generating leads, slow and steady will always win the race. If you focus on daily activity, eventually, you will get the rewards.

The point is that you must organize your sales schedule so that, during the summer months, you are proactively working on external lead generation a minimum of one hour for every working day. "X" out your Daytimer, approve it with your sales manager and discipline yourself

to not let anything disturb this time.

The second most important key to lead generation success is maintaining a variety of activities. A club must have a marketing plan that uses a variety of mediums and methods to ensure they reach a full spectrum of prospects. You have to follow the same strategic approach. In essence, you are creating a mini-marketing plan of your own. You must identify at minimum 5-10 different lead generation activities and establish a plan that reaches a wide variety of prospects. Put your plan in writing and use it as a guide to ensure you are staying on track.

The third key to lead generation success is tracking. You can have the plan and put in the time, but if you aren't paying attention to what is working and what isn't, you will waste a lot of time, energy and money in the process. For each lead generation activity, you should track the exact method used, where it took place, how many prospects were reached (or total number of distribution), cost of activity, and ultimately, the number of prospects and/or memberships sold as a result. Whether you do your tracking with some kind of computer software or the old fashioned way (three ring binder), it doesn't really matter. What is important is tracking, analyzing and then modifying to get the most out of your activities.

With these strategies in place, let's turn to the actual lead generation. I am always amazed at how often salespeople ask me, "What are some good ways to generate leads." I think in our society of instant gratification and constant changes that we have grown impatient in all areas of our lives. The reality is that consistent lead generation is about doing the basics well (I'm sorry to disappoint you). Add to the basics an endless number of creative ideas that can be explored, and together, you will have success. Start with internal activities that you can work on at anytime and then build your list of external opportunities that will require you to be outside of the club on your hour-a-day schedule. Below is a short list of each to get you started:

Internal Lead Generation

Before you obsess about new, creative ways to generate leads, perhaps, the first thing is to ask yourself if you are doing the basics well.

- Are you following up with new members? Happy members will bring their friends and the early days of membership is when someone is most likely to refer others. Did you send a hand written thank you note? Did you make a 7, 30 and 60-day customer service call? Did you check the computer system to see if, in fact, they have been

using the club, and if not, made additional calls trying to get them re-engaged? You may be thinking, "Are you kidding me? When do I have time for all that?" My reply is probably during the summer months. Remember the movie *Jerry McGuire*? He gave exceptional service to the one client he had, and it paid off. You may not be able to provide this level of service in January/February, but now, you have the time to back track with recent enrolls and wow them.

- Have you exhausted your own missed guest list? The average closing percentage in our industry is around 55%. Even if you are much better than average, if you've been selling for any length of time, you've got misses. Don't just call them back. Why not do something creative like send them a video e-mail? With YouTube, web cams or Flip videos it is easy, fun and memorable.

- Are you sending birthday cards to every member you enrolled? With laser printers, this becomes a very inexpensive proposition. Customize the card, congratulate them for keeping themselves healthy and drop in a guest pass or two. If you want to be really creative, work out a deal with the personal training department to give them a free mini-training session. It could lead to ancillary sales but will certainly lead to a good impression.

- If your entire sales team needs leads, go to your owner/operator and ask permission to run "Fitness Fridays" where members are allowed to bring in guests for free (If you are too crowded during peak hours, offer it during non-peak times). Of course, you'll get people who "abuse" the system with the same guest, but isn't that what you are trying to initiate, friends who want to use the club?

Guerrilla Marketing

With books like *Guerrilla Marketing* by Jay Conrad Levinson and the ability to Google "creative marketing ideas," you shouldn't even need articles like this! Literally, you are limited only by your creativity in answering the question, "How can I get a piece of marketing material about my club in the hands of someone who isn't a member?"

- Get together with your sales team (or anyone for that matter) and brainstorm around the above mentioned question. Once you have your list, then locate every type of marketing collateral the club makes



Casey Conrad

available to you. Business cards, fliers, take-ones, tri-folds; whatever tools you have simply begin putting a plan in place for daily distribution. When managing salespeople, I preferred focusing on a weekly goal. For example, "distribute 400 individual pieces of collateral that had your contact information on it." If these activities don't keep you busy, then there is a problem!

- Maybe you feel as though collateral distribution isn't getting a response. Okay, then do something different. One promotion that I always had good luck with was "5 for 5." This is where you have 5-day special passes printed and sell them for \$5. Obtaining the purchasers name and contact information is needed to complete the purchase. Now, you have a warm lead to follow up on.

- Of course, there are always lead boxes.

And if none of these things sound very enticing to you, perhaps you should consider my first manager's approach when she found me sitting at my desk with "no one to call." She handed me the Washington, DC. White Pages and said, "Start dialing." It may sound cruel, but the point was made rather quickly. Self-generating of leads is possible if you are motivated. Enjoy the summer.

(Casey Conrad has been in the health and fitness industry for over 25 years. She has authored over 30 different books, audios and DVD's in the area of sales and marketing for health clubs. To learn more about free resources on sales and marketing visit www.CaseyConrad.com or email her at Casey@CaseyConrad.com)

Make It Fun!

Why Would a Health Club Owner Need a Buy-Sell Agreement?

By: Steve Ayers

As a former club owner and CFO, I feel one of the most overlooked business documents of a health club owner today is a Buy-Sell Agreement between the principles of the closely-held company. This document decides the fate of the business and ownership of said business upon a triggering event. Examples of triggering events include, but are not limited to, retirement, divorce, death or bankruptcy of one or more of the company owners or members. The remaining owners or members want to make sure they control management and ownership without having the removed owners' spouse or their heir(s) forced on them in a management or ownership role. For this agreement to be effective, and to not cause an undue burden on the company's cash flow, it also must include a well crafted vehicle for funding. Examples of funding vehicles for the agreement include life insurance policies, installment payments or bank financing.

In my opinion, a well crafted agreement should achieve most, if

not all of the following goals of the members or owners:

- Ensures the ownership interest of the departing member or owner is transferred to the remaining members or owners;
- Ensures that the departing member or owners' heir(s) or spouse will be properly compensated for his or her ownership interest;
- Includes a proper formula for valuation of the ownership interest;
- Provides a vehicle for funding that benefits the heir(s) or spouse of the departing member or owner, while not causing undue duress on the company or the surviving members or owners;
- Provides a defined list of triggering events;
- Addresses the sale to an unaffiliated party;
- Includes cross purchase language, which requires the remaining owners or members to purchase or "buy out" the ownership of the departing member or owner, payable to the spouse or heir(s).

One of the most important parts of the agreement, and the most widely overlooked portion, is the valuation of the departed member or owners' interest.

The valuation of the departed member or owners' interest should be well defined in the agreement. A few types of valuations are:

- **Appraisals:** The parties agree to a mutual appraiser or the average of three or four appraisers selected by the owners or members.
- **Earnings:** The parties agree to a multiplier of earnings or EBITDA average over the previous 3 - 5 years.
- **Specific Value:** The parties can establish a hard value of the business in the agreement and the departing owner or managers' heir(s) or spouse would be compensated based on the departing owners' ownership percentage multiplied by the specific value.

I feel that a Buy-Sell Agreement is one of the most important documents a company with multiple owners should have. It is very important to have this document well defined and written by an experienced attorney, which will also take into consideration the tax consequences of the remaining members and the estate



Steve Ayers

planning of each member. I strongly recommend each business owner take a look at the business and seek legal advice if you feel this type of agreement would be beneficial to you and your organization.

(Steve Ayers is the ABC Financial National Sales Director and may be reached at Steve.Ayers@abcfinc.com or 800-622-6290, Ext. 1166)

How to Make Better Decisions on Behalf of Your Health Club

By: Jim Thomas

I received a call from a health club owner recently. This call was a bit different. I spoke to this same health club owner about 18 months ago. It seems he has gone backwards since we last spoke. The primary reason we never engaged before was he simply couldn't make the decision. But now, he was ready (or so he said). After a few weeks of indecision and the inability to make the decision again, it got me thinking about some ways to go about making a better decision... or even a decision at all. Here are some thoughts:

1. Be sure you have a long-term objective for your health club that is very specific. With each decision that must be made, ask yourself if it will help you toward the objective you have set for your health club.

2. Be sure you have strict deadlines. Putting off an important decision in your health club is not good. The longer you wait, the harder the decision gets and the more likely that you will just settle for whatever happens. Procrastination is the enemy.

3. Understand that choosing to not

make a decision is actually making a decision. It is a decision to let others or current events in your health club control you, rather than your controlling your plans and the future for your health club.

4. Get away from all the action in your health club where you can think clearly. If you are having a hard time with a certain decision, get out of the club. Go for a long walk or run or something; just get away. Get rid of all the things that clutter the mind so you can focus on the decision that needs to be made.

5. Determine deadlines and timeframes for decision making. For everything that you need to decide about to keep your health club running, consider implementing specific decision-making timeframes. Perhaps, you will have a several-day window every quarter where you make these decisions. In the meantime, compile a list of ideas. Be clear to your club staff about this decision-making process and make it easy for them to submit ideas for you to decide on. And then, be sure to decide on all of the ideas during that period of time.

6. Delegate all the non-essential

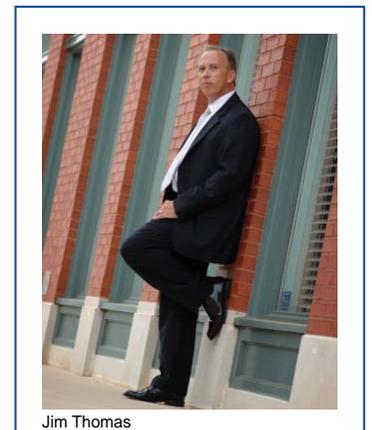
decision-making. Give your club staff a clear framework and then empower them to make these decisions. For example, give them a budget for their department so they can make appropriate decisions.

7. Once you have decided, stick with it. Don't change your mind. Your decision is worthless if you are going to change it at the first sign of resistance (and you will get resistance). Make up your mind quickly and then stick with it. If you have to revisit a decision, do so with great care and for good reason.

8. Be sure to properly communicate the decision you made. Make sure key staff is on the same page, especially when you are making a change.

9. Everyone has his own agenda, so limit the input. Your job is to protect the investment. Be careful not to let your health club be run by "group decisions." The group has different agendas, and only you know exactly where you want your health club and your business to be.

10. Stay away from the "what ifs." Your decision-making ability can be hampered if you are constantly considering all of



Jim Thomas

the possibilities of each decision. Keep it simple. Focus on one result for your decision (making sure it is in line with your stated objectives). You can work out the details as you go. If you try to work out the details before you make your decision, you will probably never get it done.

Now, go make a decision.

(Jim Thomas is the President of Fitness Management, USA. He may be reached at 800-929-2898)

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Programming Tip of the Month: *Hiring and Training a Programming Champion*

By: Sandy Coffman

I recently read an article on programming that said it was critical to have a passionate program champion for any new program to be successful. I agree, but a truly professional programming champion will require much more than passion. As our industry approaches the dynamic Fall season, when the programming calendar begins, it is imperative to evaluate your staff and get the right leaders in place to make your programs profitable for your business. Now is the time to consider hiring and training a Program Director. My book, *Successful Programs For Fitness and Health Clubs: 101 Profitable Ideas*, devotes Chapter Three to help you do just that. Remember, you are **programming for profit!**

The role of a Program Director is to keep the programming calendar full, the members active, the promotions moving

through the club and all the instructors and trainers productive. A Program Director may teach a class, run a league, give a lesson, or work one-on-one with a client, but the business is measured in terms of results, not just activities. For example, a Program Director will measure the percentage of enrollment of every program, class or session and help the instructors organize and grow the programs by activating new members, reactivating inactive members, diversifying existing members and motivating potential members into buying memberships. A Program Director must have a genuine appreciation for every program and every member.

The qualities of a Program Director include leadership capabilities and communication skills on a management level as well as the ability to relate to all your members on a service level. Telephone skills, teaching skills and selling skills are important.

The Program Director must be success-oriented, even sales driven. For the Program Director, the sale begins after the sale! As explained in the "logical progression of programming," (Chapter 1), members may need to experience six to eight different programs in a year before becoming retained members. Since the Program Director will be responsible for keeping that participation active, he is ultimately held accountable for retention.

This person's skills include developing budgets, making program reports and creating marketing plans. Another talent, however, is being able to create an environment of positive and engaging energy. His role is indeed complex and diverse. The job requires a balance between the energetic, happy promoter and the goal-minded, responsible businessperson. Enthusiasm, passion, a sincere appreciation of the industry and an understanding of people's needs best describe a successful Program Director.



Sandy Coffman

- You are the host of the club, being everywhere and seeing everyone.
- You give personal attention to individuals and specific groups as well.
- You are a promoter and a programmer.
- You are unselfish and have a genuine interest in people and their choice for a happier, healthier lifestyle.
- You are the hub of the club's activity
- You are a Program Director.

The CREDO of the Program Director

- You believe in yourself and are excited about your job.
- You sincerely enjoy helping people.
- You are flexible, tolerant, convincing and fair.
- You have high energy levels and are enthusiastic.
- You organize your time wisely and efficiently.
- You focus your attention on selling recreational hours and enjoyment.

(Sandy Coffman is the Dean of Club Programming and the author of the book *Successful Programs for Fitness and Health Clubs: 101 Profitable Ideas*. To order Sandy's programming book, go to www.humankinetics.com. You can contact Sandy at slcoffman@aol.com or www.sandycoffman.com)

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Very Sincerely,

Norm Cates, Jr.

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Co-Owner, Global Fitness Centers

"We have learned the impact that marketing BTS programs can have on driving traffic into our clubs. We have advertised FREE classes to non-members in various media which has increased traffic by over 25%. On top of that, 90% of prospects who visit WOW! and experience a BTS program, join that day!"



Stephen S. Roma
Owner, WOW! Work Out World

"We began working with BTS in 2006 and within two years we had dramatic impact on our business. We went from only servicing 9% of our members in Group to 37%. Our retention rate for Group members has skyrocketed to 93%! And amazingly, by executing one of BTS' management principles of integration, we have developed a cohesive team of instructors and personal trainers. This has resulted in our PT revenue increasing by over 55%!"



Mike Silva
Owner, The Edge

"BTS is the single best investment I have ever made, not only in Group Fitness, but also for my club as a whole. It services our members, sells memberships, markets our club and motivates our members and staff, including me! BTS has enabled me to increase my membership price from \$30 to \$49 per month, and we no longer compete on price."



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