

Norm Cates'  
**CLUB INSIDER**<sup>TM</sup>  
The "Pulse" of the Health, Racquet, and Sports Club Industry  
Established 1993

**2000th**  
**Edition!**

**AUGUST 2010**

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# Norm Cates' CLUB INSIDER™

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

Established 1993

## 200th Edition!

### A Retrospective

By: Justin Cates

December, 1993

"Norm Cates' Club Insider News was launched this month to provide a new and unbiased view of the happenings in the club industry. The Club Insider News promises to be an objective, tell-it-like-it-is monthly publication which has as its target audience the owners, general managers and department heads of for-profit commercial clubs and corporate fitness centers worldwide."

Those were the first words ever printed in CLUB INSIDER, and they still ring true for our publication to this day. Now, 200 editions later, CLUB INSIDER has proven its worth to the industry as an invaluable and differentiated resource. It has shared the stories of many extremely successful and incredible health and fitness club owners and operators in the industry, published informative articles authored by experts across every segment of the industry, reported industry news month-in and month-out, and on occasion, given topics that needed a voice a proper stage from which to be heard.

In preparation for this article to mark this occasion, every available edition of CLUB INSIDER has been reviewed

in order to prepare a journey through time that we invite you to take with us (August 1996, December 1996 and July 2004 are the exceptions, so 196 editions were reviewed). Along the path of that journey, the roots of CLUB INSIDER will be revealed, early industry issues tackled by the publication will be revisited, the evolution of the publication as a service to the industry will be shown and a vision of the future for CLUB INSIDER will be shared. What other place to begin than by hearing from Norm Cates, Founder and Publisher of CLUB INSIDER.



Norm Cates

An Interview with Norm Cates

CLUB INSIDER (C.I.) - When and how did you become involved with the health and fitness club industry?

Norm Cates (NC) - Well, it goes back to when I was at North Carolina State, where I went on a football scholarship and majored in Parks and Recreation Administration. The reality was what I really learned there in four years was how to be a good Air Force ROTC Cadet and how to call square-dancing. So, I graduated with a Bachelor's Degree in 1968 and ended up in the U.S. Air Force Pilot Training Program where I spent a year, actually 53 weeks, and then immediately went back into that same program to become a Jet Instructor Pilot for four years. My goal from day one had been to become an airline pilot. In 1973, I left the Air Force, moved to Atlanta and actually reached my goal in life. In April of 1973, I was hired by an airline in a very competitive environment for commercial pilots. They told me they had interviewed 1,200 pilots for 40 slots, and I was lucky enough to get one of those slots. The ironic thing was I was overjoyed when I was hired, as it had been my goal for five years, but six months later, I received a furlough letter in the mail. Furlough is airline speak for laid off without pay.

While I was furloughed for four years, I met and became involved in a partnership with a fellow named Ray Irwin in 1974.

(See 200th Edition Page 12)

#### Masthead Graphical Evolution



December 1993 - June 1995



July 1995 - January 2002



February 2002 - October 2005



November 2005 - March 2008



March 2008 - Present

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- Defining the Experience - By: Karen Woodard-Chavez
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- How to Attract the Overweight Population - Part III - By: Donna Krech
- Club Certification - By: Angie Pattengale
- Specialty Programs... Ladies Luncheons - By: Sandy Coffman
- REX Roundtables For Executives #2

# CLUB INSIDER's 200th Edition

## Norm's Notes

• **Hello Everybody!** This is your **CLUB INSIDER Publisher** and **Tribal Leader** checking in with our **200th Edition!** **CLUB INSIDER** is rolling along in completing our 17th year of publication. Almost 18 years ago, everybody and his brother said we wouldn't make it! Well, so far, so good! I hope you enjoy our cover story this month, a walk down memory lane from the past 199 editions, well researched from our past issues and written by **JUSTIN CATES**. Congratulations Justin on an outstanding job during your first 2 1/2 full-time years with **CLUB INSIDER** and on your additional duties as Assistant Publisher. Folks, to see the plan for our next 200 editions, check out our **Page #6 "Insider Speaks"** article, **The Evolution and Succession of CLUB INSIDER**, as well as our very special cover story this month.

• Is America a great country or what? Mmm... mmm... mmm! God bless America!

• Just in case you've not noticed, our economy is **going nowhere fast!** That means that, if you've been sitting around waiting for the economy to make your club business more successful, right now might be a really good time to realize and zero in on the fact that only bright ideas and really hard work will improve your business or any business in America right now. The U.S. Government is surely going to be nothing but a hindrance for small businesses, so be ready to go to the polls and start fixing things on November 2, 2010. In the mean time, spend a little to learn a lot! For starters, **\$49** buys you a **One-year Subscription to CLUB INSIDER** and five years of archived past issues, each loaded with new ideas for your club business.

• Speaking of learning new things to help your business, the **Club Industry Conference and Trade Show** is happening in **Chicago, October 6 - 8th, 2010**, and you really should be there as the

seminars that will be presented will help you advance your club business in these tough times. Check out the **Club Industry Ad on Page #29**, and check out the **CLUB INSIDER Advertiser Exhibitors Directory on Page #7**.

• **IHRSA 30th Anniversary Yearbook is coming!** Take out your calendar and write in **March 16-19, 2011** for **IHRSA's 30th Anniversary International Convention and Trade Show in San Francisco!** Today, **JAY ABLONDI, IHRSA's Executive Vice President of Global Products**, announced that **IHRSA** will produce a **30th Anniversary Yearbook**, and everybody is invited to participate! Check out [www.ihrsa.org/yearbook](http://www.ihrsa.org/yearbook), and be sure to take the time to fill out the online form so you'll be included in the yearbook that will be distributed to all registered **IHRSA 2011 Convention Attendees**. Exhibitor Companies will also receive a complimentary copy. All others will be able to purchase the yearbook on site. The **Deadline is November 30, 2010!**

• The **July 7, 2010 Wall Street Journal** headline read, **Curves Closes Clubs As Stamina Runs Out**. The article by **RICHARD GIBSON** chronicled the difficulties Curves is experiencing in

the U.S. According to Gibson, "Over the past three years, its U.S. franchisees have been closing outlets at a rapid rate, shrinking the chain by about a third to 5,208 U.S. sites at the end of last year, from 7,748 at the beginning of 2007, according to a recent franchise disclosure document the company filed with state regulators. More than 1,000 Curves vanished across the country in 2009, while just 35 locations opened. This is a picture that is not pretty for Curves, and it mirrors comments I've received from a former and now estranged **Curves Franchisee, ROBERT LAY**. However, **MIKE RAYMOND, Curves President**, disagrees with its critics, contending that much of the club closings were intended as part of a plan to "prune the system," according to **WSJ Reporter, Richard Gibson**. Additionally, we've learned that the Class Action lawsuit brought against Curves by a number of former Curves Franchisees has been postponed until December by the court in Waco, TX. So, **STAY TUNED!**

• I enjoyed attending **TONY deLEEDE's Australian Body Works (ABW) 10th Reunion Party**, where a lot of former employees of ABW traveled



Norm Cates

to the **Meridian** high rise in the **Buckhead** area of Atlanta to reminisce about the days before and since **LA Fitness** bought 22 **ABW** clubs from **Tony** in 2000. Among the former **ABW** employees in attendance were: **MINDY STRICH, TERRY BURNS, WANDA SHEETS, JOHN CARSILLO, KEN SHOOK, SARAH MACK LAWSON, CHRISTY WESTROM, CINDY WELTOR GIVENS, BRIAN EVCES, BECKY SHEHAN** and **LAURA HERMAN**. Also attending were a few industry friends who, like me, were not **ABW** employees. They were **GAIL deLEEDE, DICK WILLIAMS** and his wife, **REBECCA CHASE** (See *Norm's Notes* Page 7)

Norm Cates'  
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**17 Years and Counting!!!**

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**Thank You!**

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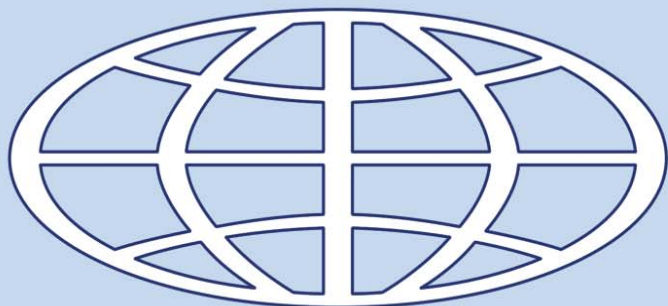
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# The "Insider Speaks"

## The Evolution and Succession of CLUB INSIDER

By: Norm and Justin Cates

### Comments by Norm Cates

The evolution and succession of CLUB INSIDER are topics we've given a lot of thought to, and on the occasion of our 200th Edition, my son, Justin, and I decided now would be a great time to tell you what we are planning for the future of CLUB INSIDER.

The newspaper world is *a-changin'* and we are *a-changin'* CLUB INSIDER right along with it.

Only printed publications that have carved out unique and distinct niches in their marketplaces will continue in the future. Many observers consider CLUB INSIDER to be the most unique publication in the health, racquet and sports club industry. Sure, some people think we aren't very good, but they're in a tiny minority and have probably had a bad truth written about them in CLUB INSIDER within these past 200 editions.

CLUB INSIDER has

carved out a very distinct niche of astute readers who are the decision makers in the club industry. They seek the truth about what is going on in our industry, and CLUB INSIDER provides that truth. They seek educational articles that will help them and their staffs advance the state of the art of their clubs, and CLUB INSIDER has published over 100 Cover Stories and 1,000+ Contributing Author Articles that have helped club owners everywhere make their clubs better. They have also sought editorial content that has addressed current issues in our industry -- a true "Tell-It-Like-It-Is" approach to newspaper editorials about activities in our industry-- and it's an approach no other industry publication has dared to use. The truth has been the absolute gold standard for CLUB INSIDER from day one, and it will continue to be in the future.

You, our extremely important and valuable CLUB INSIDER readers, hold the future of our industry in your hands. Therefore, we have made it our

mission to provide you with the best industry information possible, with case-study cover stories, best-practices articles by our Contributing Author Team, truthful editorials on important issues, pertinent industry news and an Advertising Team comprised of companies that are the very best in their fields, employing very ethical industry business leaders in their own right.

We intend to continue our printed circulation at 10,000 locations per month, but we have also made great strides in the "Cyber World." For the past two and a half years, Paid Subscribers have been able to read each edition of CLUB INSIDER online, and they have also had access to all of our archived editions dating back to January of 2005 at no additional cost. Heading into the future, it is our plan to add ALL past issues to our online archives. This means that, if you have a subject that you are seeking information on (virtually any subject), we will most likely have an article or two or three to help you.

Moreover, beginning in the Fall of 2010, CLUB INSIDER will begin to provide an even greater value (for the same money) for our advertisers when we expand our online edition to thousands of additional clubs every month to complement our 10,000-location printed circulation. It is our intention heading forward to make CLUB INSIDER even more prominent in our industry. We, my son and I, are in this for the long haul, and we want you to stand with us by continuing to read CLUB INSIDER and sharing your club news whenever you have it.

Finally, we have made some dramatic changes and improvements to our website and online presentation of CLUB INSIDER. Our massive website update, created solely by Justin Cates, was just launched on August 9th, 2010, and it now offers multiple new services and opportunities for you to take advantage of and enjoy. Justin will comment on the expansive improvements and changes he has



(L to R) The Club Industry's Best Friend, Rick Caro, Visiting With Justin and Norm Cates at IHRSA 2010

made later in this article, but you should go check it out for yourself at [www.clubinsideronline.com](http://www.clubinsideronline.com).

### Succession

Webster's Dictionary defines succession as, "the order in which, or the conditions under which, one person after another succeeds to a property, dignity or title." Since this is our 200th Edition, we thought it would be a great time to tell you about the Succession Plan for CLUB INSIDER.

Justin Cates joined CLUB INSIDER as a full-time employee on January 1, 2008, but he had actually been a part-time employee since he was eight years old. Growing up around the publishing business, after spending his first eight years of life as the son of an Atlanta club owner/operator, Justin arrived on time and very ready to work. He started out helping me with mailings for additional allowance money. In the mid-to-late 1990s, he used his knowledge of computers to get CLUB INSIDER connected to the "Cyber World" through email. In the 2000s, he created and launched our first website. Shortly after that, he moved on to layout design, and in college, he also began editing copy. Upon graduation, he moved on to full-time work with the company, where he has taken on new role after new role and changed the company immensely.

He is always full of new ideas, many of which have already been employed and many more of which are in planning stages.

Prior to January 1, 2008, CLUB INSIDER had been a one-person publication. To fathom what this means, just pick up any one of our glossy friend's industry publications and look in the front to see the long list of people who do the variety of jobs necessary to produce each month's edition. I, Norm Cates, did all of those jobs each month for fifteen years. To say that producing that amount of work for CLUB INSIDER each month for those fifteen years was a challenge would be somewhat of an understatement. It was *hugely challenging*. When Justin came on, he took over several of the key jobs I had been performing every month for all those years. What a relief! And, what a joy to work with my talented son, Justin!

Today, I'm very pleased and honored to announce that Justin Cates will now have the added title of Assistant Publisher, making him **President** and **Assistant Publisher** of CLUB INSIDER. This move will position him for the next two and a half years, where he will be trained and groomed to become **Publisher** of CLUB INSIDER on January 1, 2013. On that day, yours truly, Norm Cates, will become known as Chairman. My only duty will be writing my monthly Norm's (See *Evolution* Page 18)

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# 200th Edition!

**AUGUST 2010**

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 CLUB INSIDER

# A Tribute to Rudy Smith

By: Norm Cates

Family and friends remembered our friend Rudy Smith at a reception in San Clemente, California on July 16th. Rudy passed away on July 5th.

Industry luminaries, including Donahue Wildman and his wife, Rebecca; Jerry Kahn and his wife, Jerilynn; Andy Palluck and his wife, Alexandra and Dr. Kevin Steele were present.

Also in attendance were Ginny, Bret and Jessica FitzGerald, Barbi and Randy

Zamora, Todd, Kristy, Aria and Eliana Smith, Chad, Karene, Kali, Canon, Kamio and Carsen Smith, Sonny and Rena Reser, Mike Sklar, John Wildman, Don Wildman Jr., Billy Wildman, Karen Reling, Gary Lembo, Bernie and Eddie Palluck, Bryan and Shea Palluck, A. J. and Sara Palluck, Brent Palluck, Mike Minna, Rick Nasca, Stephanie Galbraith (aka Brie Wilkinson), Paul Ward, John Thorsell, Mark deGorter, Bill and Vicki St. George, Matt Nelson, Dennis Keiser, Larry

Domingo and Jules Freemond.

Rudy Smith and his lovely wife, Virginia, will always be remembered by those who knew them as two wonderfully in-love people who shared their love with everyone they ever encountered. Their smiles will always be remembered by those in our industry who knew and loved them.

May Rudy Smith and Virginia Smith rest in eternal peace together. Thanks to Jerry Kahn for his help in preparing this tribute.



Rudy and Virginia Smith

## ...Norm's Notes

continued from page 4

ABW Franchise owners); Publisher, **SHERI ADAIR**; Lifestyle Family Fitness Founder, **GEOFF DYER** and friend, **VICKY BUCK**; and **VICTOR** and **LYNNE BRICK**. Former Operations Director, **MINDY STRICH**, wrote in an email to me, "There were about 100 people at the reunion, and people came from as far away as Colorado, Connecticut, North Carolina and Florida. As I was planning the event, I was so moved that so many people from different chapters of our history were still so impacted by their time at ABW, and the fact that so many people showed up was a tribute to that. ABW was definitely a very special time and place!" One former key ABW person not in attendance was Former CFO, **DAVID GOULD**, who was absent because he was

on a bike trip in France. I must say, as a former competitor of Tony's here in Atlanta, it was very heartwarming to see this great group of people together with their leader, Tony deLeede, a guy who's proven around the world that he's one of the best entrepreneurs our industry has ever produced. **Good on 'ya Mate!** Stay tuned for news about Tony's new "Fit 'n Fast" club chain now under way down under in **Australia**.

•Speaking of new club chains, several months ago, I mentioned that **Equinox** was launching a new chain of low-cost clubs. Well, they are launching them now, and they're called **Blink Fitness**. Check out [www.blinkfitness.com](http://www.blinkfitness.com) to learn about this low-cost model now being rolled out by what is arguably one of the top upscale club operators in the world, Equinox. **HARVEY** "We're not going to Albuquerque"

**SPEVAK** is going at this launch aggressively, opening three new company-owned 17,000 square-foot clubs in **Manhattan, N.Y.; Yonkers, N.Y.**; and **Paramus, N.J.** at a \$20 per month price point and advertising "over 150 of the latest state of the art cardio and strength machines," modern locker rooms and showers and even a "front porch where you can meet a friend, recoup and relax." **Stay Tuned!**

•More on the low-cost front! I've confirmed word from **BEN MIDGLEY**, now **President** of **MARK MASTROV's CRUNCH FITNESS**, that they're taking Crunch to the low-cost model and will be selling their Crunch Fitness Franchises with a business plan to market at a price point of **\$9.95 a month**. This move could prove to be a big competitor out West for **PACKY WILSON's Fitness 19**, and eventually in the Midwest and East, up against the now dominating **PLANET FITNESS Franchises** that **MIKE GRONDAHL's Team** has been rolling out for years. Midgley commented by email right at deadline, "Norm, don't forget that we are not just low price, we have a big PT focus, Crunch-designed Group Fitness Classes and the online dotFit program is actually part of our membership, so members can use that program just by joining the club." **Stay Tuned!**

•Speaking of **MIKE GRONDAHL** and his Team, he tells me that, if projections hold true, **Planet Fitness** will have **382** operational locations by the end of this year. They are just rolling  
 (See Norm's Notes Page 8)

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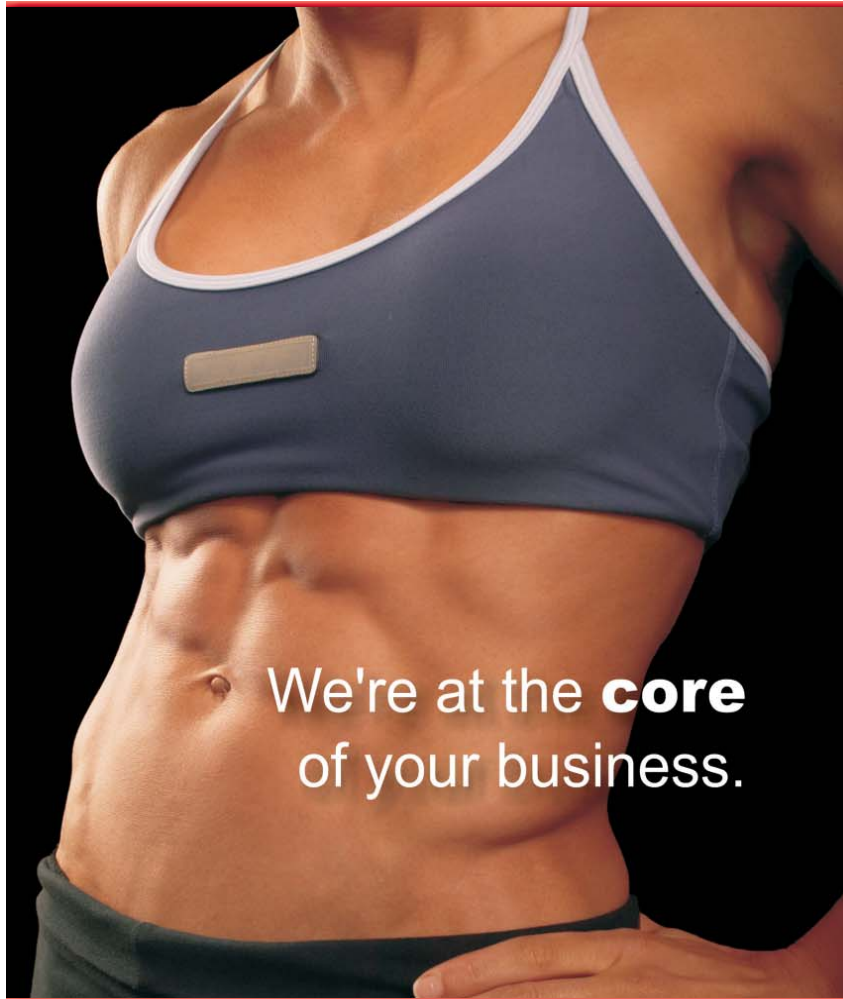
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### ...Norm's Notes

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along in this down economy! I told Mike he should be flattered to have two of the top club developer/operators in the world, **MASTROV** and **SPEVAK**, entering the low-priced segment. Grondahl replied, "I'm flattered that Mastrov would follow our lead, but I'm much less impressed with Spevak, who sat in with the DLJ private equity group and learned about our model that way. We're considering taking legal action."

•The **LifeTime Fitness** in downtown **St. Paul, MN** was scheduled to close on **August 13th**, after failing to come to terms with the building's landlord on a lease continuation agreement. LifeTime Fitness has operated the St. Paul location for thirteen years in the **University Club** building on Cedar Street. LifeTime officials say they are actively pursuing alternate locations for a health club in downtown St. Paul. The building owners are also now seeking a club operator to lease

the space and reopen the facility. **Stay Tuned!**

•On **August 5th**, **SmarTrend** ranked **Cyberx International** as the company with the highest upside potential in the **Leisure Products** industry. Cyberx has a potential upside of 50.6 percent based on a current price of \$1.76 and an average consensus analyst price target of \$2.65. The ranking is determined by the potential gains between the current stock price and the projected average analyst target.

•More **Cyberx** news. In honor of, and to prepare for **Breast Cancer Awareness Month in October**, when you purchase a **Pink Cyberx Treadmill**, they will donate **10¢/mile**, or when you purchase an **Arc Trainer**, **20¢/mile**, for all miles logged during the month of October to **The Breast Cancer Research Foundation**. The **Pink Ribbon Run** provides a marketing package, including a poster, hangtag, table top and press release with each pink treadmill or arc trainer purchase; everything you need to let your

members know about your support for breast cancer research. To learn more, call **Cyberx** at (774) 324 - 8000, or visit [www.cyberxintl.com/pinkribbonrun](http://www.cyberxintl.com/pinkribbonrun).

•**JONATHAN ADLER** has reportedly left as **CEO** of the **Washington, D.C.** area **Sport & Health** chain and will be replaced on a temporary basis by **MARK FISHER**.

•**IHRSA** has reported two more **Public Policy** victories, these in **Pennsylvania** where a **sales tax on memberships** has been fought off and in **California**, where a bill on **EFT renewal policies** has been defeated. I continue to urge you to **join IHRSA** and to support **IHRSA's Public Policy** fight by contacting **MEREDITH POPPLER** at (800) 228 - 4772, Ext. 129 to discuss what your contribution to the **Industry Defense Fund** might mean. **Stay Tuned!**

•**ABC Financial** launched an update to their industry leading club management software, **DataTrak**, on **August 12th** at the

**Gold's Gym Convention**.

•**Congratulations** to **KYLE ZAGRODSKY**, **CEO** of **Go Figure, Inc.**, developers of the **iGo Figure Member & Business Management Software**, as they were recently nominated for the title of "**Best Place to Work in Houston**," an award sponsored by the **Houston Chronicle**. It's a great honor to even be nominated for such an award, and we wish Kyle and his team the best of luck and hope they win the honor outright! **Stay Tuned!**

•**MIKE BALFOUR**, **Founder** and **former CEO** of **Fitness First**, the world's largest health club chain, will be honored on **August 19th** in **Reno, Nevada** at **WALLY BOYKO's National Fitness Trade Journal (NFTJ)** with its **Distinguished Service Award**. The other **NFTJ Distinguished Service Award** winners this year are **JOHN AGLIALORO**, **CEO** of **Cyberx**; **DR. KEVIN STEELE**, **Principal** of **Communications Consultants**; **CHUCK FEDORA**, **Director** of **National Accounts** for

**Precor**; and **Vice President of National and Latin American Accounts** for **Life Fitness**, **MIKE ZINDA**. The event will be **August 19-21** at the **Grand Sierra Resort and Casino**. For information, go to [www.nationalfitnessradeshow.com](http://www.nationalfitnessradeshow.com).

•My friend, **MARC ONIGMAN**, sent me a link to a 23-page article from the **Wall Street Journal** entitled, **Employer Wellness Initiatives Grow, But Effectiveness Varies Widely**. The article helped illuminate the potential for the future of corporate wellness programs, but was not very positive, overall. I can forward Marc's email link to you if you'd like to read the report. **Email me** at [Norm@clubinsideronline.com](mailto:Norm@clubinsideronline.com).

•**Bye bye** to the **Men's Christian Association!** The **YMCA** has announced that it is dropping the **MCA**, which stands for **Men's Christian Association** from its corporate identity, **YMCA**. Therefore, they say, people will *finally* be right when they refer to  
*(See Norm's Notes Page 10)*

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### ...Norm's Notes

continued from page 8

the organization as the **Y**, which stands for Young. However, they say in the same announcement that the local facilities, known as YMCAs for over 160 years, will continue to be known as YMCAs. Confused? Try being a YMCA operator and explaining this one.

• It was so nice to see long time friend, **JILL STEVENS KINNEY**, gracing the cover of **CBI Magazine's July Issue**. Best wishes to you Jill and your husband, **JOHN!** What a wonderful leader Jill has been for our industry!

• **Dr. CARY WING** has left her role as **Executive Director** of **The Medical Fitness Association (MFA)** and is seeking to continue her work in the industry with a focus on medical fitness operations. Cary may be contacted at her new email address [caryhwing@aol.com](mailto:caryhwing@aol.com).

• **Brunswick Chairman and CEO, DUSTAN McCOY**,

announced **CHRIS CLAWSON** will return to **Life Fitness** as its **President**. Clawson is a 25-year industry veteran, a brain and a great athlete. He earned his MBA at **Northwestern's Kellogg School of Management** and was an **Academic All-American at Newman University in Wichita, KS** before joining the fitness industry. He was named to his school's athletic hall of fame, and he also played pro baseball in the minor leagues with the **Houston Astros** and **Atlanta Braves**. **Good luck** at Life Fitness, Chris!

• Longtime industry friend and veteran, **NEIL SOL, Ph.D.**, is recovering from a recent back surgery, and at the same time, looking for a new opportunity. **Get well, Neil!** Neil is a very experienced and successful leader and senior health care operations executive who passionately understands the ever-changing health care industry. He continues to be committed to operating ambulatory services and or serving as the COO of a mid-size health care institution (100-150 beds). Neil's goal is to find

a role in senior leadership and operations in a mid-size hospital that is interested in diversifying their product and service lines to generate new and profitable revenue streams. He also can help an institution develop programs and services that are unencumbered by insurance reimbursement. Neil may be reached at [drsols2@mac.com](mailto:drsols2@mac.com).

• **WOW!** This has been a rough Spring/Summer for my **1967 N.C. State Football Team**. On May 17th, we lost our friend and teammate, **LLOYD SPANGLER**, to a heart attack. Lloyd, a resident of **Richmond, VA**, was an offensive tackle, and I was a guard on our **1967 Wolfpack Team** that achieved the highest ranking in the history of the school, **#3**, and **defeated the University of Georgia 14-7 in the Liberty Bowl for our school's first bowl victory in Memphis Tennessee**. On **July 23rd**, we lost our friend and teammate, big **DENNIS BYRD**, formerly a 6'5" and 275 pound N.C. State defensive tackle, to heart failure. Dennis was the first

player at N.C. State to make **1<sup>st</sup> Team Consensus All American two years in a row**. Additionally, Dennis made **1st Team All Atlantic Coast Conference 3 years in a row, also a first for N.C. State**. I was honored to be on that **1st Team All Atlantic Coast Conference Football Team in 1967** with Dennis and four of our teammates. Dennis was drafted by the **Boston Patriots** in the first round of the **NFL Draft in 1968**, as the **6th overall pick**. But, he played for only two years before retiring because of a knee injury. Dennis had been suffering from a severe back problem for years, and in May of this year, he was named for induction into the **College Football Hall of Fame** in New York City this coming December. Ironically, after putting off surgery on his back for years, Dennis had decided to go ahead and have the surgery so he would be in better shape for the induction ceremony. Dennis experienced a heart attack while on the operating table during the back surgery. After his heart attack, which happened almost at the end of his back surgery, Dennis

was placed on a ventilator and an automated heart pump. But, his damaged heart just couldn't make it, and he passed away.

Dennis left his wife, **KIM**, and four now grown children and several grandchildren. Dennis was remembered by about 300 family and friends in his hometown of **Lincolnton, N.C.** on **Sunday, July 25th** during a service at **Freedom Church**. There was also a Memorial Service for him in **Elizabeth City, N.C.** on **July 28th**. Also attending in Lincolnton, Dennis' hometown, were eleven of our N.C. State teammates, including: **STEVE WARREN**, Dennis' best friend in high school and college who gave a wonderful eulogy; **FREDDIE COMBS**, another fellow on our team who made **1st Team All American Team in 1967**; **JIM DONNAN**, our Quarterback and former **Marshall University** and **University of Georgia Head Football Coach**, as well as **PETE BAILEY**, **GARY YOUNT**, **WAYNE LEWIS** and **JIM "BUBBA" LISK**. Also  
 (See Norm's Notes Page 28)



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- increasing your overall closing ratio at the point of sale?
- increasing your personal training revenues?
- implementing a system that drives consistency?
- increasing your membership retention by insuring that no member falls through the cracks?
- increasing your exposure at community outreach events?
- increasing your corporate presence in the community?
- maximizing your revenue per member?

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*World Gym, Arkansas (4 locations)  
Harley Mork, Director of Personal Training*

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## ...200th Edition

continued from page 3

I had met Ray while waiting for a racquetball court at the neighborhood clubhouse where we lived. Ray and I became partners and started working on trying to build our first racquetball club in Atlanta. In 1976, we met Rich Boggs, and a fourth partner named Fred Streck was introduced to us by a bank. We all met and formed a partnership to create Courthouse I, which was the first racquetball club in the Southeastern United States. We opened our doors at Courthouse I, a 10-court club, with 1,200 members, and four months later, we had 5,000 members and expanded to 15 courts with an indoor jogging track. That rapid membership growth caused us to immediately start building more clubs across town. We grew to four clubs in Atlanta and five in other cities; Columbus, GA.; Knoxville, TN. (2); Murfreesboro, TN (outside Nashville) and Birmingham, AL. By then, we had changed the name to Courtsouth

**C.I.** - In 1993, after leaving the day-to-day business as a club owner/operator, you founded **CLUB INSIDER**. How did this come about?

**NC** - After owning and operating clubs for twenty years in Atlanta, we built a 6,500 square-foot antique store for my wife, Ilena. In doing that, I realized that she was going to be at the store many hours every week, and Justin, or I should say you, were only eight years old. So, it became apparent to me that Justin would have to become a latchkey kid if I continued to be in the club business and going to the club to work every day. At that point, I had one club, which was in the Wildwood office complex, an

IBM project. At the time, IBM was laying off 245,000 employees nationwide, and thousands of them were based at Wildwood. So, business was significantly off at the club. I decided that it would be a perfect time for me to move away from the day-to-day life of owning and operating clubs. I created a list of ten new business ideas and took that list with me to the Faust Roundtable #1 meeting we had in Chicago in January of 1993. I had an hour session with the Roundtable members who, out of the ten different business ideas I had presented, picked the one which was to create an industry newsletter. At the time, we referred to it as a newsletter, but for years now, we've referred to it as an industry newspaper. So, that is how **CLUB INSIDER** actually came about.

A few months after the initial development of the idea, the Roundtable met again in Del Mar, California. At that meeting, Curt Beusman actually dreamed up the name. We call him "Brother" Beusman, and he's also a PhD, so he's a brilliant guy. I was happy to recently report that Curt will be honored in October with *Club Industry's* Lifetime Achievement Award! During this Del Mar brainstorming session, he came up with the word, "Insider." Then he said, "Club Insider." Then, "Club Insider News!" So, that's how it got started. The wonderful thing about that was he picked the name, and his lovely wife, Jane, who has now passed, may she rest in peace, had defined the Mission for **CLUB INSIDER** in Chicago when she said, "Our industry needs a new publication that will deal with the tough industry issues that nobody else will take on. We need a publication that will be irreverent, outspoken and tells-it-like-it-is." The amazing teamwork of Jane and Curt Beusman defined

**CLUB INSIDER**, and if it hadn't been for them, we wouldn't be having this interview today.

**C.I.** - What does the celebration of the **200th Edition** of **CLUB INSIDER** mean to you?

**NC** - Well, I will tell the truth of what it means to me first. **CLUB INSIDER** is clear proof to me that there is a God. It also means we've found a niche and stuck to it. As an aside to that, I think we also found a blessing. That blessing has been the opportunity for a father and son to team up and work together on a project that we believe deeply in our hearts helps America. That may sound kind of silly. But, we believe **CLUB INSIDER** truly does help America by helping club owners and operators make their clubs better, and by doing that, they help their members get better results, and that end result will help America and the world in the long run.

**C.I.** - Tell us about your journey with **CLUB INSIDER**, both personally, and as a business.

**NC** - I can summarize it all in one word: *Amazing!* The journey, both personally and as a business, is hard to separate. I have been so personally involved in this business, and in this industry, as the first President and a Co-Founder of IHRSA. It's hard to break them out, so I will just talk about it as a business. I pick the word "*Amazing*" because it truly has been amazing. I started **CLUB INSIDER** with a \$100 investment in a used Apple computer, and the lady I bought it from gave me two floppy disks to go with that little computer. I spent the first four or five years without internet or email. I would have to type every single word printed in **CLUB INSIDER** onto a floppy disk because we couldn't copy or paste various types of articles and news releases from emailed files like

we do today. There was no digital world in our publishing operation at that time, and it was a very basic process that I learned day-in and day-out. I thought I had learned the meaning of hard work from playing football and becoming an Air Force pilot and all those things, but I think I really learned about hard work with **CLUB INSIDER**. I remember one deadline I had that, in a period of eight days, I had two 22-hour days in a row and six 16-hour days back-to-back to make that deadline.

From a journey point of view, I look at the journey as never-ending because the way I believe it will happen with the succession of **CLUB INSIDER** is that, Justin, you're going to take over **CLUB INSIDER** and carry on. I believe you will have been groomed to the point where you are not only an excellent Publisher, but because of your sponge-like learning ability, you will have also absorbed an enormous amount of information from our industry. The great thing is that I believe you and I both share something very important, and it drives us every day. That is a true love for the people in our industry. The people in our industry are amazing, and frankly, they charge me up every day. I wake up every morning thinking about what we are going to be doing with **CLUB INSIDER** today and how we can help these great people out there by producing a better publication that is helpful to them.

**C.I.** - For anyone needing just one reason to read **CLUB INSIDER** in the future, what is that reason?

**NC** - I will make this answer short and sweet. In any given edition of **CLUB INSIDER**, you may read something that could mean hundreds of thousands of dollars for your club(s). But, unless you read **CLUB INSIDER** every month,

you might miss that one important idea or opportunity.

**C.I.** - In every single edition of **CLUB INSIDER**, there have been small ads saying three simple words, "Make It Fun." Please tell us about that.

**NC** - I started running those little ads in the first edition ever, which was a 12-page Introductory Edition we published in December of 1993. In that edition, I put a little ad in there that said, "Make It Fun." I started doing this from the beginning because, over the years, I had been blessed with the ability to meet and get to know a lot of greatly successfully club owners and operators through IHRSA and the Faust Roundtable. What I learned from watching those people was that, if they made working in their clubs fun for their employees so their employees would look forward to coming to work and work in a positive and upbeat environment, these folks would actually make it more fun for the members. When it was more fun for the members, they would show up more frequently, enjoy the club while they were there and tell their friends about it. In the long and short of it, no matter how big of a club you have, or the number of machines you have or anything else, you are providing a facility that has a lot of competition. You have movies to compete with. You have bars to compete with. You have night clubs to compete with. In other words, as an industry, we are competing with the entire recreational world for the time of Americans. Never forget that. I encourage all club owners and managers to teach your team that, every time they clock in, they are like an actor going on a set. The "SHOW" is on! And, it's time for them to put forth their best behavior, with big smiles and the  
*(See 200th Edition Page 14)*

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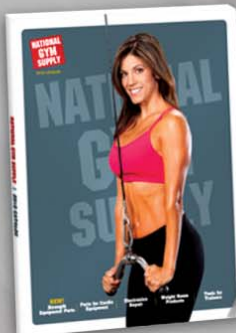
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**DURABELT.**

...200th Edition continued from page 12

happiest demeanor they can possibly present to the members, no matter if they are tired, bored or having a bad day. They have to "show up on time, ready to work" with a smile on their face. The author of that quote is the one and only Red Lerille. His 200,000 square-foot club in Lafayette, Louisiana is the epitome of what I'm talking about. When you walk into Red's, you feel this aura, this feeling in the air that's really impossible to describe until you go there. Red makes it fun in his club every day. So, that is why we've published our little "Make It Fun!" ads in all 200 editions of CLUB INSIDER and will continue to do so.

C.I. - Thank you very much for this interview, commemorating the 200th Edition of CLUB INSIDER. Do you have any closing remarks?

NC - I'd close this interview by saying that I think all of us making our living in this wonderful industry should be very thankful and realize that we are a truly fortunate group of people because what we do is so pure and so good for America. I'd like to encourage everyone that, everyday, when you're driving to work, think about what you are going to do that day to make your club better for your members. Realize that, every time you make your club better for your members, they are going to be better Americans. We have a country that is worth preserving, protecting and making better, and our clubs invariably help do that every day.

The Introductory Edition

In December of 1993, the Introductory Edition of CLUB INSIDER was published. It

was printed with two colors (red and black) and had only twelve pages, but it was slammed full of informative articles and news for club owners and operators, such as:

- Get Your Fair Share of Your Partnership by Planning Ahead
•Top 10 Things to Know to Avoid Problems with the SBA
•The Champion... Larry Pacifico
•The Myths of Fixed Costs
•Announcement of Proposed IRSA Name Change
•And of course, Norm's Notes.

There was a lot packed in that issue, even more than the articles listed above, so we invite you to check it out for yourself at www.clubinsideronline.com/1993, where we have fully digitized the original Introductory Edition. You do not have to be a Paid Subscriber to CLUB INSIDER to view it, so check it out today. It may not be groundbreaking material, but it is always interesting to see the perspective of the past given hindsight.

Immediately into the Fray

As shown in the article list above, CLUB INSIDER did not waste any time diving right into the fray of industry issues. When announcing the proposed name change of IRSA to EXECERE in 1994, CLUB INSIDER took the position that the club owners should have the final say, not solely the Board of Directors (who had already voted for the change). The reason Norm Cates took this position was simple. The club owners, and the vendors who support them, are the lifeblood of IRSA. The club owners and their clubs were the reason why IRSA was founded. Without the club owners as buyers of the products and services the manufacturers and vendors produce, there would be no Association at all. So, it became very clear to Cates in the

early days after this announcement that the IRSA Members were not going to stand for it. It became clear that they were not going to stand for it because they were not consulted at all or given any opportunity to weigh in on such a major change in the Association.

Over the next few months, CLUB INSIDER dedicated a cover story and several Insider Speaks editorials to the issue, publishing letters from club owners across the country. In the end, an Open Forum, where IRSA Members could voice their concerns and make their opinions heard, was held on March 25th, at the 1994 IRSA Convention in Reno, Nevada. About 300 IRSA Member Club owners took the podium to speak. 31 of them spoke in opposition to the move. With the culmination of feedback from the IRSA Members, it was finally announced in June, 1994 that the name EXECERE was out and IHRSA was in. The letter H, standing for Health, was added to the name giving IHRSA a wider reach in who it could represent as an Association, which was the original stated reason for the name change in the first place. It's impossible to say what influence the brand new industry publication, CLUB INSIDER, had in the decision. But, CLUB INSIDER was there month-in and month-out through this time sharing the opinions of club owners and operators, as it had vowed to do. Over the years, many IHRSA Members have thanked Norm Cates for saving IRSA from making a big mistake. But, his reply has always been the same, "Hey, all Club Insider did was provide a vehicle for IRSA members to express strong opposition!"

Another early industry issue tackled by CLUB INSIDER was that of the woes of Bally Total Fitness. Beginning with a January, 1994 cover story titled, Massachusetts Booting Bally, discussing the Complaint for Contempt brought forth by Massachusetts Attorney General, Scott Harshbarger, CLUB INSIDER published monthly news about the company through its course of industry reputation-damaging legal battles. The goal wasn't to express ill-will towards Bally, but instead, to shed light on how one company's public battles could affect the entire industry's reputation, and thus, ability to operate successfully. At the time, some literally equated the

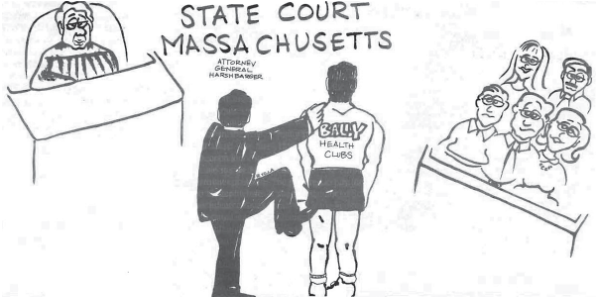
Norm Cates' Club Insider NEWS The Pulse of the Health & Sports Club Business June 1994 EXERCERE OUT! IHRSA IN! staff took a bit of grief from the CLUB INSIDER and the name change process and the name EXECERE. During the IRSA Board Meeting in early June, instead of proceeding with the installation of Execere, they voted to modify the name of the 13-year-old Association to IHRSA. Board of Directors made a wise decision NOT to change the word "Association" and retain the equity built up in the core, ending a hotly contested debate which spanned a period of about eight months. Larry Kriger and the IRSA Board of Directors did the RIGHT THING with this decision on the IRSA name change. For several

June 1994 - Exercere Out! IHRSA In!

process of buying a health club membership to that of buying a used car, and the battles Bally fought certainly did not help that image. Over the years, CLUB INSIDER continued to follow the ups and downs of Bally. When credit was due, such as when Bally was finally admitted into IHRSA in February of 2001, it was certainly given. Unfortunately, in recent years, Bally has once again had issues as they filed for bankruptcy in August of 2007 and a second bankruptcy in December of 2008. These early days of reporting on the struggles of Bally led to something that CLUB INSIDER has reported on many times over the course of 200 editions. Though simple at its core, it has been hard to accomplish as an industry because of prior damage that

had already been inflicted and still occurs today. It is one simple word, TRUST, and specifically, the TRUST of consumers in the health club product and how it is administered. This culminated with a cover story simply titled, TRUST, in August of 2009. Moving forward as an industry, it is absolutely crucial to not only inform, but truly show the public that the health and fitness club industry has come of age and can be fully trusted. This is not just an issue among the large health club chains because of their national exposure. It is crucial on the local level as well. A rogue club operator that destroys the TRUST of a community, a town or city of any size, can do great harm to the industry as a whole. This is only amplified by the expansion of social media. IHRSA adopting (See 200th Edition Page 16)

Norm Cates' Club Insider NEWS The Pulse of the Health & Sports Club Business January, 1994 MASSACHUSETTS BOOTING BALLY BOSTON, MA. In regional. An announcement was issued the health and fitness club industry on a par with "used car sales" in terms of ethical behavior and proper business conduct. I believe and hope that this reputation, by being improved across America, clubs become involved more and more in the concept of providing the services promised in member projects and in the idea that ethical and honest business conduct is the way to gain the long run. This article will provide an overview of why the American consumers feel the way they do about that not only violated the State Consumer Protection Act, but that also violated a judgment of a Court in the Commonwealth, and Attorney General Harshbarger. "My office will file a permanent injunction in the Commonwealth against any company that routinely ignores a prior judgment and state law." In his new Complaint, the Attorney General alleges that Harshbarger consented after the Defendants have consistently breached their terms of a FINAL JUDGMENT, with the consent of all defendants handed down in Judge Superior Court on June 19, 1991, by the Honorable Justice J. Owen Tobin. The First



Norm Cates' Club Insider NEWS The Pulse of the Health & Sports Club Business Introductory Edition December, 1993 CLUB INSIDER NEWS BLASTS OFF! Why Read The Club Insider? CLUB INSIDER NEWS is now available for one-year subscriptions for \$49. We urge you to subscribe today at the SPECIAL INTRODUCTORY OFFER price of \$49 on the offer expires on December 31, 1993. The regular subscription price is \$99 per year on a bill advance of a 100% savings now. You won't regret your investment! CLUB INSIDER NEWS will be unique as the only club trade periodical of its kind devoted to an actual fitness work of industry contacts to gather and report the latest of what's happening. CLUB INSIDER NEWS is now available for one-year subscriptions for \$49. We urge you to subscribe today at the SPECIAL INTRODUCTORY OFFER price of \$49 on the offer expires on December 31, 1993. The regular subscription price is \$99 per year on a bill advance of a 100% savings now. You won't regret your investment! CLUB INSIDER NEWS will be unique as the only club trade periodical of its kind devoted to an actual fitness work of industry contacts to gather and report the latest of what's happening. CLUB INSIDER NEWS is now available for one-year subscriptions for \$49. We urge you to subscribe today at the SPECIAL INTRODUCTORY OFFER price of \$49 on the offer expires on December 31, 1993. The regular subscription price is \$99 per year on a bill advance of a 100% savings now. You won't regret your investment! CLUB INSIDER NEWS will be unique as the only club trade periodical of its kind devoted to an actual fitness work of industry contacts to gather and report the latest of what's happening.

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- ▶ Durable powder-coated steel construction
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## ...200th Edition

continued from page 14

standards or club chains having their own codes of conduct is all well and good, but it comes down to local vigilance. Always be aware of what friends and competitors are doing in the marketplace, and whether or not it can cause harm to the industry as a whole. If something could occur or does, call them on it. If harm has been already caused, try to repair it together, with your friends and competitors, because strength as an industry can lead to great individual results. It is symbiotic.

### Red Lerille Set the Cover Story Standard

In February of 1994, **CLUB INSIDER** published Part I of a 2-part case study, cover story on Red Lerille. When all was said and done, this format for cover stories became the **CLUB INSIDER** standard. In this first cover story, Norm Cates got up close and personal with one of America's greatest independent club owners, Red Lerille. Red grew up wanting to become Mr. America. At the age of 24, in 1960, he won the title. A few years later, in 1963, he opened his first gym with a \$250 loan from his father. He built his own benches and racks and transformed that original 4,000 square-foot location into 120,000 square feet on 15 acres in 1993. Today, it is 185,000 indoor square feet on 20 acres! That is quite a transformation, but it did not occur overnight. One of the most important points made in that cover story was Red's vow to make at least one change or improvement to the club EVERY month. To hear from Red in his own words, check out the home page video at [www.redlerille.com](http://www.redlerille.com).

### A Shepherd of Industry History

In addition to providing a monthly perspective of the health and fitness club industry, through news, informative articles, as well as opinion pieces, **CLUB INSIDER** has sought to be a shepherd of the industry's history. In the June, August and September, 2003 Editions of **CLUB INSIDER**, a 3-part article series, chronicling the history of the health club industry dating all the way back to the 1930s, was published. Outside of this article series, the recent history of the industry has been extensively chronicled through

**CLUB INSIDER's** case-study cover stories, with each being a building block of that history. Through time, two types of cover stories have been published:

The first type of story, and the most important for our readers, is that of great owners and operators in our industry. Usually, the owner or operator themselves are extensively interviewed in order to share the "Inside" story about their career, as well as facilities. Additionally, when possible, **CLUB INSIDER** conducts follow-up interviews with key staff members to get their views. This approach has been called "in-the-trenches" reporting because it is reporting from the frontlines. It shares the real story of what real people are doing to be successful in the industry, and the value of learning from them is immeasurable because their methods are proven. Some feel these stories are a little bit too long (typically 6-8 type-written pages), but this is done on purpose. To understand how and why a successful owner or operator got that way, it is important to get to know them. We strive to learn about them personally, as well as professionally. Then, we share as many details as possible about how exactly they achieved success so there is literally a menu of ideas a reader of the story can pick from to try in their clubs.

The second type of story is the special topic, and these also provide value for our readers. **CLUB INSIDER** does not sell cover stories, but sometimes, companies within the industry are featured if their product is something that can truly help provide value for members of a health club, thus benefitting the club itself. Other times, topics that can affect the industry as a whole are discussed. Being successful in any business requires knowledge, not only of the specific business within its local community, but also how that business fits into

the industry as a whole. Things outside of one's control can affect the success of a business, but knowing and preparing for such things can help. And sometimes, seeing something on the horizon can allow one to take steps to prevent it completely. By covering these special topics, we hope to help with both of these situations.

Across 200 Editions of **CLUB INSIDER**, some amazing people and great topics have graced our pages. Some have literally changed the landscape of this industry. Others, though not as industry-changing as some, are still amazing in their own right and much can be learned from them. Appearing in the **Sidebar** on **The Opposite Page** is an index of all the cover stories **CLUB INSIDER** has produced. They are separated into these categories.

### 200 Editions of CLUB INSIDER

As previously mentioned, every available edition of **CLUB INSIDER** was reviewed as research for this article (August 1996, December 1996 and July 2004 are the exceptions, so 196 editions were reviewed). This was done for several reasons:

First, we wanted to provide our readers with some fun statistics. Okay, we were curious ourselves, but here are some staggering numbers considering **CLUB INSIDER**, for a majority of years, was virtually a one-man operation. In total, there have been over 6,000 pages of **CLUB INSIDER**. The publication has had over 250 Contributing Authors authoring 1,000+ great articles, each of which containing multiple ideas that can produce financial results for a health club if implemented. In total, over 2,500 articles have been printed. Outside of news releases, the balance of writing, including over 3,500 Norm's Notes items, has been done solely by Norm Cates. I may be biased, but I believe that is a pretty amazing personal accomplishment.

Second, we wanted to build a master index for use when needed by us, as well as our readers, through its publication. Obviously, there is not enough room to show that index here, and we know not many would want to see it in its entirety, but it is now accessible in a very easy-to-use interface on our website by going to [www.clubinsideronline.com/archives](http://www.clubinsideronline.com/archives) and clicking on the "Master Index" link.

Third, using that index,

a schedule has been developed for the full digitization of our archives. During that process, and once complete, one of the largest online archives of industry information and history will be fully accessible at [www.clubinsideronline.com](http://www.clubinsideronline.com). The archives will be fully searchable by Article Name, Author Name, Category/Topic, Date as well as Search Term. If you ever have a question about how something occurred within this industry in the past 20 years, or need some fresh ideas for your club business, you will know exactly where to go, and we look forward to providing that service. Additionally, over time, this archive will grow because every new edition of **CLUB INSIDER** will be added to it, as well as online-only content developed over time.

### The Future of CLUB INSIDER

As mentioned in The Evolution and Succession of **CLUB INSIDER**, which begins on **Page #6**, we are very excited about the future of this publication. With the improvements we are making to both our printed edition, as well as online offerings, we hope to retain you as a reader for many years to come. If you were a reader, and this is your first time reading in a while, you have picked a great time to become a reader once again. If you know others in the industry that may not yet be readers, now is also a great time to tell them to check out our publication because we believe it will only get better from here. We want to thank all those that have read over the years, and we want to thank you for reading if this is your first time. We hope you will stay with us.

To our advertisers, we want to sincerely thank you for sticking with us through the years. This publication's longevity would not have been possible without you. The

publishing world is changing, and we are certainly taking note of that and changing right along with it. In the coming months, we are very excited about the rollout of new online features that will complement your print advertising placements and provide even more value for your advertising dollar. This is also a great time to give some specific advertisers a special thank you. **Affiliated Acceptance Corporation** has been with us since we started selling advertising in June 1994. That's correct, they have been with us in every single edition in which advertising has been sold, and we sincerely thank them for that loyalty. Advertisers having been with us for five years or more (some, much longer) include: **ABC Financial, Body Training Systems, Fiserv** (previously CheckFree), **Iron Grip Barbell Company, JLR Associates, National Gym Supply, Thin& Healthy's Total Solution and Visual Fitness Planner**. We sincerely thank each of you!

Finally, we want to thank everyone else that has contributed in some way to **CLUB INSIDER** over the course of 200 editions. This includes our 250+ Contributing Authors over the years, who have authored over 1,000 great articles; Walton Press, our excellent printing company with a 110-year history; Linda McGinnis and Nancy Shumake, our Walton Press Account Representative and Prepress Coordinator, respectively; Cathy Brown and Ben Pearson, our original Layout Designers; and anyone who has ever called, mailed, emailed or spoken to us in person about the happenings of the industry, **CLUB INSIDER** or simply lent us their support.

And, of course, thank you for reading this article, commemorating the **200th Edition** of **CLUB INSIDER**!

*(Justin Cates is the President and Assistant Publisher of CLUB INSIDER and grew up in the health, racquet and sports club industry. From the age of eight, he spent his non-school and sports hours in a home which doubled as CLUB INSIDER Headquarters. He has lived and breathed this industry for 25 years, since his own day one. Now, he is an integral part of the "Story" of Norm Cates and CLUB INSIDER. Justin may be reached by phone at (770) 595 - 6086 or email at [Justin@clubinsideronline.com](mailto:Justin@clubinsideronline.com))*

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# Case-Study Cover Stories

Red Lerille's Health and Racquet Club Case Study  
Ray Wilson... A Club Legend In His Own Time  
\$95 Million (Merger of Family Fitness Centers and 24 Hour Nautilus)  
Health Club History With Bob DeMonteque  
Joe Cirulli's Vision... Being Number 1  
Crunch Fitness... Way Out... and Right On!  
Dave Pickering: The Big Kahuna of Corporate Membership Sales  
Karen Woodard... A Rising Star!  
Jim Gerber Honored By Friends  
Spike Gonzales - America's Racquet Man  
Tim Mansour - First Ever To Win SBA Award!  
"Some" Of America's Most Successful Clubs  
Robert Dedman, Sr. and Club Corp of America - The Refreshing Story of a Members First Company  
Ron and Sandy Franco - 10 Great Years of Mom-and-Pop Club Success!  
Geoffrey Dyer's Life Style Family Fitness Centers Strong In Tampa!  
Carl Porter - Michigan Athletic Club One of a Kind!  
Roger and Elaine Ralph Win Entrepreneur of the Year Award!  
The Thoreau Club, Camp and Outdoor Center - a Pulis Family Work of Art!  
The Bob Provost Story... Success One Day At A Time!  
Jill Stevens Kinney - America's #1 Female Club Entrepreneur  
Bahram Akradi... Living the American Dream  
The Gold's Gym Legend Grows In Georgia  
Tony deLeede - Club Industry Super Star!  
Cecil Spearman Honored By IHRSA Friends With Distinguished Service Award  
Jack LaLanne - The Man - The Living Legend  
Glenn Colarossi - Helping The Older Get Better  
Casey Conrad - Talented... Driven... Respected  
David Patchell-Evans - "Living the Good Life!"  
Dale Dibble - "Mr. Enthusiasm!"  
Sandy Coffman - "Programming For Profit"  
Joe Moore - Club Business "Gladiator"  
John McCarthy - IHRSA's Leader of Excellence for 20 Years  
Tim and Liz Rhode - The "Club of the Future" Is Here!  
Ed Williams and Art Curtis Leading Wellbridge  
Mike Minton - "Thinking Outside the Box"  
Mike Motta - Plus One In The Big Apple!  
Mike Arteaga - Playing On and Coaching An All Star Team  
Patricia Laus - World Class Visionary and Creator of the Atlantic Club - One of the World's Top Clubs  
Steve Tharrett Reveals ClubCorp's Recipe For Success: How To Create Pride In Belonging  
Rudy and Virginia Smith - Celebrating 50 Years of Excellence!  
Alan and Steven Schwartz - Tennis Corporation of America's Father and Son Team  
Health Fitness Team Rolling With Jerry Noyce!  
Gale Landers and Hazel Gitlitz - Chicago's Finest Formula Owners - A real Credit To Our Industry  
Clive Caldwell - A "True" Club Man  
Bill Pearl - "The Father Of Modern Bodybuilding"  
Chicago's East Bank Club - The Club World's Greatest Wonder!  
Tom Behan and Andrew Eker - Alaska's Club Force  
The RDV Sportsplex - Orlando's Crown Jewel Sports & Health Complex  
Ray Wilson Is Blasting Into the 21st Century With The Goal of 10,000 Health Clubs!  
Gordon Johnson and Team... Gold's Gym Stars!  
Don Shula... The Legend Lives On  
Julie Main - IHRSA's New President  
The Houstonian - A Legendary and World Class Club  
Fitness First Reaches One Million Members In 400 Clubs!  
Dean Kachel - Survivor For 25 Years!  
Larry Gurney - The Master Behind "The RUSH" Fitness Complex  
Jim Woolard and World Gym Team - Providing Excellence for 30,000 Members!  
Greg Rowe - A Great American Health Club Owner  
Joe The "Gladiator" Moore Shares IHRSA Vision  
Laury Hammel and Longfellow Clubs - Making the World A Better Place!  
Lyle Schuler Makes It Fun At The MAC!  
Tasso Kiriakes... A Great American!  
Donna Krech - Total Solution For The Obesity Pandemic!  
Casey Conrad... Getting It Done!  
Brent Darden and Everett Aaberg Perfect The TELOS Texas Turnaround!  
The Planet Fitness Juggernaut!  
Cliff Buchholz... A Man of Values, Vision, Conviction and Caring  
Hard Work Pays Off for the Eclipse Fitness Team!  
Belmont Athletic Club... Created by John and Jan Doyle  
Ruth Straker... the Legendary Creator of The Marsh  
Brian Evans' American Family Fitness Clubs... A Class Act In Richmond, Virginia  
Greg Lappin of the Rochester Athletic Club Sets the Gold Standard For General Managers  
Phil Wendel and ACAC in a Top 5% Category  
Julie Main - Devoted Wife, Mother and Leader  
Steve and Bonnie Pfister - The Dynamic Duo Behind Longevity Fitness  
Herb Lipsman - A Texas Entrepreneur  
Mark Mastrov Honored - One-On-One With Club Business Wunderkind Mark Mastrov  
Gale Landers' Fitness Formula Clubs Thriving for 25 Years!  
Lloyd and Roberta Gainsboro's Dedham Health and Athletic Complex... A Jewel In New England  
Prairie Life Fitness - A Smart Balance of Fitness and Fun  
The Newtown Athletic Club - A True Community Within a Community  
Simon Meredith Celebrates 30 Years With East Bank Club  
Dr. Art Curtis Shares His Vision as New IHRSA Chairman

Master Index Available at

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# Company Cover Stories and Pre Cover Story-Era Special Topic Articles

Club Insider News Blasts Off!  
Massachusetts Booting Bally  
IRSA Showdown in Reno!  
Federal Trade Commission Nails Bally  
Bally's Announces Club Chain Spin Off!  
Exercere Out! IHRSA In!  
Burnout... Myth or Reality?  
Boycott Baseball!  
Bally Health Clubs... Where Do They Go From Here?  
The Club Industry's Best Friend (Rick Caro)  
Why IHRSA Open Forum Will Be Important  
Bally Health Clubs's Franchising Nears Kick Off!  
Amazing Club Turnaround (Ray Gordon)  
Mega Buck Deal!  
The Works Athletic Club Sold to Hospital  
Positive California Legislation!  
Manufacturers Meet to Discuss Future  
Health Club Hard Sell  
Mitch Wald Receives IHRSA's Distinguished Service Award  
"Attitude is Everything!"  
Future Fitness Now  
U.S. Surgeon General's Report Promotes Exercise!  
Join the Club (CheckFree!)  
Success (Augie Nieto)!!!  
Mike Chaet... "Club Doc" Extraordinaire  
Mark Smith and TSI Team Raise \$100 Million!  
Rick Caro Launches Club Vision Partners  
Norm Cates On Fighting Skin Cancer - You Should Know the Dangers... Seek Help Early!  
Jim Flanagan... MexX and Club Business Leader  
Club Industry Honors Women  
Judi Sheppard Missett and 30 Years of Jazzercise!  
Bally Total Fitness Then and Now  
50 Million Members By 2010  
Frank Napolitano Sells Highpoint Athletic Club and Joins TSI  
Rich Bogs and Ray Irwin... The STEP Boys Leading the Way!  
The Sales Makers - Masters of Club Membership Sales  
The DOT.COM World and the Health, Racquet and Sportsclub Industry  
IHRSA Celebrates 20th Anniversary in San Francisco!  
Ground Zero's Roy Simonson - A Prolific Fitness Entrepreneur  
Ken Germano Leading ACE Into The 21st Century  
"Leaving Fat City" - An Introduction  
Thomas Plummer - The Man. The Mission. The Message.  
Avoiding The "Geriatric Ward" - What Is The Club Industry To Do?  
Lynn Swann Says "Make It Fun!"  
IHRSA - "The Stellar Team"  
Settling the Difference Between Hospital Fitness Centers and Commercial Fitness Centers  
Justin Cates - "A Good Man"  
The History of the Health Club Industry  
World Gym International Seeks Quality!  
Jim Smith's Peak Performance Network Rates An A+!  
Michael Scott Scudder - "From The Heart!"  
Rudy Giuliani - An American Hero  
Visual Fitness Planner... Open The Door To More Club Business Success!  
Paramount Fitness - Celebrating 50 Years of Excellence!  
Body Training Systems Announces "New and Improved"  
The Future of IHRSA - The View of IHRSA's 1st President, Co-Founder and Dedicated Supporter  
Wall Street... What The Experts Think About The Health Club Industry  
Augie's Quest Raises Over \$1 Million for ALS Research  
How To Market Your Club  
Pete Kight - Leading The EFT Way With CheckFree  
The "Best of the Best" Club Business "Road Warrior" Consultants!  
IHRSA Celebrates 25 Years!  
Saint John McCarthy  
Leaving Fat City  
Big John McCarthy - IHRSA's "Alliance Master" Retires  
Shawn Vint... Helping People Is His Way of Life  
Colin Milner - Creating The Active Aging Industry  
Governor Mike Huckabee - From Hope To Higher Ground  
Alliance Fitness' EazyZone Coming On Strong!  
Quality - The "Inside" Story on BTS  
Jim Bottin's Evolution From Clubs to His ABC Financial World  
Craig Pepin-Donat Exposes The Big Fat Health and Fitness Lie  
GymTicket.com - Getting More Membership Leads The Modern Way  
SCIFIT Celebrates 20 Years  
Bill Houck Brings A Country Club Perspective to the Health, Racquet and Sports Club Industry  
Augie Nieto Says... "Earn Your Eulogy Everyday"  
"Younger Next Year" To Grow Your Club Membership  
Clubs for the Cure Produces Massive Effort to Attack ALS  
A 100 Year Perspective On the Health and Fitness Club Industry  
Generating a Waterfall of Leads - 125 Membership Lead Sources  
What The Guys With The Money Think  
Naked Woman At My Door... and Why That's a Bad Thing  
Club Industry/Fitness Business Pro Celebrates 25 Years!  
The "Question of the Century" for the Health and Fitness Club Industry  
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12 Days of Fitness - Clubs for the Cure During the Holiday Season  
Body Training Systems - Built to Build Your Club Business  
The 2010 IHRSA Awards

## ...Evolution

continued from page 6

Notes column, and yes, once in a while, my "Insider Speaks" column where I will continue to "Tell-It-Like-It-Is!" I intend to write Norm's Notes every month and occasional Insider Speaks columns until I kick the bucket. All of the rest will be produced by Justin and any employees that might come on board.

In the meantime, it's business as usual. But, in addition to reading our printed edition, we urge you to use and enjoy our newly updated website, [www.clubinsideronline.com](http://www.clubinsideronline.com). We also urge you to be in touch with us about your club or company news, whenever you might have exciting things happening.

Very importantly, I want to thank everyone who has made **CLUB INSIDER** possible over the past 17 years and 200 editions. First, I want to thank the Faust Roundtable #1 members, and in particular, Rick Caro. They helped me take **CLUB INSIDER** from an idea to a reality. Since the beginning, Rick has helped greatly as one of our Contributing

Authors. I want to thank Ron Hudspeth and Cathy Brown, Publishers of Atlanta's Hudspeth Report, as they contributed hugely to our beginning. Next, I want to thank our Advertisers. Without the support of these excellent companies, since we began selling advertising in June of 1994, **CLUB INSIDER** simply would not exist. I want to thank our excellent Contributing Author Team. This terrific group of industry experts has provided over 1,000 informative articles, any one of which could provide your club with vastly improved financial performance. I also want to thank the wonderful people at Walton Press in Monroe, Georgia. This 110-year old web printing company is as good as you can get. Last, and certainly not least, I want to thank my wonderful son, Justin, for all he has done for **CLUB INSIDER** over the past 17 years and 200 editions. Without a doubt, were it not for Justin Cates, **CLUB INSIDER** surely would not exist. My very sincere thanks and sincere appreciation to all!

In closing, Justin and I would like to very sincerely Thank You for reading **CLUB**

**INSIDER**. Beyond that Thank You, we want to Thank You for serving America and the world in your clubs. Your service is extremely valuable, and we strongly support and wish you the very best in all your efforts every day.

### Comments by Justin Cates

What an introduction... Thanks Dad. There's not much more I can say, but I will try to add a few things.

It has been an amazing experience literally growing up in the health, racquet and sports club industry. There are few industries like ours in terms of camaraderie and the ultimate goal of helping the communities we serve. At this time in American history, where the health of future generations is in question because of the lifestyles of today, our great industry sits on the precipice of being part of the answer to these future challenges. It has already been proven that health care after the fact has no lasting effect, but instead, prevention is the key. **We are the industry of prevention.** Sticking to a lifestyle of good nutrition, plentiful exercise and

activity, as well as a balance of rest can create longevity. That message is clear for some, and they live that lifestyle. The vast majority, however, do not, and it is our industry's job to educate and promote that lifestyle. If anyone ever asks me why I chose this job in this industry, I will tell them that I get to help those who help others live better lives. It is a very good feeling; one that I wake up with every day, and it will never go away. That is why **CLUB INSIDER** will live on. It is our job to help you in any way we can, and it is a pleasure to serve you as you do the great deed of serving your communities.

At this point in my life, and especially over the past two and a half years, I have developed a thirst for knowledge that is unquenchable. As a young child, I know I "osmotically" learned the basics of running a club. I remember coming to work with Dad at 5AM some weekdays. We'd turn on the lights and machines requiring power, check the food and beverage stock, check the pools' PH levels, fold towels and give everything one final visual check before opening the doors. The place had to be perfect. Sometimes, I got to go on the floor during walkarounds, and I certainly remember the Member Appreciation Parties. I will also always remember the day my Dad told me he would no longer be involved with the family's last club, though. It was bitter-sweet. I loved the clubs! But, over time, it was great to have Dad working from home on his new business called **CLUB INSIDER**.

Over the years, I got to become more involved in the new family business, and my own personal journey seemed to always point me to where I am now. Today, this business is what I do. It is my career, and I love it! But, it's not really work... How can something you love so much actually be work? Don't get me wrong, there can be very long, difficult days, but the fulfilling feeling at the end of each makes it very worth it. At the age of 25, there is still so much more to learn, and I am having a lot of fun doing so. My Dad is an amazing mentor, and I am learning much from him in preparation of becoming your future Publisher of **CLUB INSIDER**. Through his 36 years in this industry, he has built an amazing network of industry friends and peers, and I am also very blessed and honored to have them to learn from as

well. And of course, there's 200 Editions of **CLUB INSIDER** to read. They should give me the "Scoop" on where this industry came from, and it is my hope that **CLUB INSIDER** continues to have a part in shaping where this industry is going.

So, what should you expect from **CLUB INSIDER** in the near and distant future? Well, the same thing you should expect now and much, much more!

As already mentioned, our printed edition will continue to be distributed to 10,000 health and fitness club locations across the United States. Heading forward, a few changes will be made and features added, though. In our **September 2010 Edition**, a new monthly feature called "**Insider Rewind**" will appear. In this column, that particular month's issue ten years before will be reviewed. Beginning with our **January 2011 Edition**, we will be making some changes to our printed format and adding additional features, making the publication even easier to read after our most recent format update in April of 2008.

On the web, we have completely revamped our offerings, and we invite you to take a new look by going to [www.clubinsideronline.com](http://www.clubinsideronline.com). The first thing you will notice when coming to the website is the interactive news carousel. This will be constantly updated with industry news across many categories, so be sure to check back every day for the big stories. The next thing you will notice is a major modification in how we present our monthly online edition, as well as archive editions. To this point, we have only provided PDF files for each month's edition and archive editions, and that of course, was a very "low-tech" solution causing some frustration with our readers. Now, you will be able to read articles directly on the website, bringing loading time down greatly, and hopefully, enjoyment up. For those who prefer to print an entire monthly edition from a PDF file to read later, that option is still available. As mentioned in our **200th Edition Cover Story** (Be sure to check it out beginning on **Page #3**), with time, we will be fully digitizing every past edition of **CLUB INSIDER**. With this process, you will have access to an in-depth history of the past 20 years of the health and fitness industry.

(See *Evolution* Page 21)

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# Defining the Experience

By: Karen Woodard-Chavez

The purpose of this article is to share a recent experience at a hotel that translates to the club environment. It can affect retention and how club operators can define the experience for the staff to deliver to members and guests with consistency that creates a signature.

I attended the Abierto Mexicano (Mexican Open) in Acapulco in February. It is a lovely small tennis tournament that has aspirations to become the fifth Grand Slam. If you have a chance to go, do so. It is well organized, the players (Venus Williams, Fernando Verdasco, Juan Ferrero among them) are very accessible to the fans, and it is held on a beach front property in Acapulco. Sounds good so far, eh?

The experience was not at the Open, but instead, at the hotel where I stayed --The Fairmont Marquez, which was right next door to the tournament at The Fairmont Princess. I left the tournament early one of the nights and went to the hotel for dinner at The Marquez at their Mediterranean restaurant called Tabachin. Walking in by myself, the Captain of the restaurant recognized me from earlier in the day (where he had an opportunity to introduce himself and get my name as well), remembered my name and greeted me with "Buenas Noches, Senora Chavez." I immediately felt welcomed and included in this beautiful restaurant. He asked me if I wanted to dine inside or outside, and I chose outside. He took me to my table, and within one minute, the lovely young lady that was his Assistant came to my table with a beautiful travel magazine. She also greeted me with "Buenas Noches, Senora Chavez, would you like something to read while you dine?" How thoughtful was that!? She was anticipative and attentive to my possible needs as a lone diner and took care of me with something simple and unexpected. That was a very nice touch.

A few minutes later, a waiter arrived with a plate of olives, hummus and bread and greeted me with "Buenas Noches,

Senora Chavez, this selection of olives, hummus and bread are compliments of the house." Shortly after that, I had a pesky mosquito bothering me and another waiter (Fernando) came to my table with bug spray and said, "Senora Chavez, would you like some insect repellent?" Once again, the well-trained staff anticipated my need. I never asked for the spray, but he was so attentive and paying attention to the overall experience of each and every guest, rather than socializing with co-workers and missing opportunities to provide stellar service.

Another waiter appeared a few moments later with, "Buenas Noches, Senora Chavez, would you like something to drink?" I opted for a single glass of wine. Yet another waiter appeared to tell me about special plates for the evening, took my order and greeted me as consistently as the others with "Buenas Noches, Senora Chavez..."

I could go on and on with the delightful details of the evening, but I want to create the bridge between my experience and how we can create this in our club environments. There were five staff members that I had engagement with during the course of my evening. Each one took the time to greet me by name, demonstrate attention to detail, make me feel very welcomed, and in that process, made me feel like I was their purpose for being there that evening. This was not an isolated situation; they did this with every guest.

Did I stay a little longer than I would have in another restaurant that might not have paid attention to such detail? Yes. Did I have an extra glass of wine? Yes (No, I am not a lush). Did I tip more generously than I would have in another restaurant? Yes. Did I tell everyone I knew about my experience? Yes. Will I go back to the hotel? Without question, yes.

When you think about the questions from the previous paragraph, aren't these the same questions you want your members to say "yes" to about their experience in your club? Of course they are. The question is how do

you accomplish that outcome? What is this "experience" in clubs that we all talk about and seek to deliver?

## Guidelines for Defining the Experience

Consider the following points as a brief guideline:

- 1. Be very clear from the beginning.** What is the experience that you want your members to have? Write it down and have it as part of the manifesto of your business. In my experience in this industry, too many club operators have an *idea* of the experience they want to provide, yet have not articulated it, documented it, trained staff to know and deliver it and followed up on it every day. The ones that have done this achieve a higher level of consistency in the member/guest experience, as well as simplicity in operations. The ones that do not do this actually find way too much staff "interpretation" of what the experience is supposed to be, and this leads to frustration and inconsistency on the part of the member/guest, staff and club operator. Further, the latter example leads to higher attrition, and likely, less profitability. The club operators that have been successful with this process have strategically taken time away from the business to define what will and will not happen in the business and the systems to ensure that reality. Clearly, this takes time, planning and some creative thought. If you are currently involved in a club business and are considering this process, you may want to take some time away with key managers to *define the experience*. If you do so, do not rush the process. An example of defining the experience might sound like this:

At \_\_\_\_\_ club, no member or guest will cross the path of a staff member without being acknowledged by that staff member. To deepen the experience every staff member will greet every member who crosses their path in a warm and genuine way. If they do not know the member's name, they will

introduce themselves and inquire as to "what I personally, or we as a club, can do for the member today to make their visit to the club even better."

The following points will create consistency for the definition of the experience and prevent it from simply becoming a creative strategic exercise.

- 2. Be clear about the primary purpose and the secondary purpose for every staff person.** Make sure they are clear as well. The *primary purpose at the club (regardless of position, meaning absolutely every staff person) is to create and deepen relationships with members we do and do not yet know that will enhance their sense of value and community within the club.* As a staff member, you may believe that your primary purpose is to be a reception person, tennis pro, group fitness instructor, personal trainer, sales person, etc. That is *actually your secondary purpose* at the club.

- 3. Define what the behaviors are that the staff must exhibit to consistently provide that experience.** In point #1, there is an example of defining the experience. Once this is done, it is imperative to *define the spirit* that each staff member must have in this experience, the words they use, the words they do not use, the possible scenarios that may surface when the question is asked and how to handle those scenarios with grace. All of this must be done in initial training, ongoing training and when management is observing and performing their **Management By Wandering Around (See Explanation on Page #21).**

- 4. In the staff selection process, define what qualities a staff person must possess to do the job successfully and hire people with those qualities.** Once your experience is defined and the qualities of the best staff to deliver the experience are defined, then it is critical to *maintain the integrity of choosing the right people to become part of the staff.* If you choose people who do not possess the qualities you



Karen Woodard-Chavez

have defined, you will decrease the ability to be consistent with delivering the experience you have defined. It is important to recognize that not every person will come to us in perfect form. That is what training and follow up are for. Recognize when a candidate truly has potential with training and recognize those that do not. It is impossible to turn a dog into a cat.

- 5. Train staff to deliver the experience from the very beginning and recognize that training is not a one-time thing; it is ongoing.** Part of training is regularly discussing the experience and how we all deliver it. Having reverence for the experience is also a key part of the training success. Discussing it daily reinforces the commitment and creates opportunities for spontaneous improvement.

- 6. Follow up every day** to make sure that the experience is happening consistently. Let me give you an example of Point #6:

There was a man that I saw every day, all throughout the day, in various places in the hotel; at the pool, walking through the restaurants, on the shuttle to the tennis tournament, in the lobby of the hotel, etc. Each day I was there, this man, who was dressed casually, but professionally, was always in the "background." He was not the person introducing himself. He was more of a subtle observer. On the last day of my stay, when I asked to speak to the General Manager to tell him what (See Woodard-Chavez Page 21)

## ...Evolution

continued from page 18

Everything from stories about amazing owners and operators in our industry, to expert articles by our Contributing Author Team and industry news of old, not to mention Norm's Notes, will be accessible and fully searchable by Article Name, Author, Category/Topic, Date and Search Term.

And of course, there are many more features not mentioned here, so go to [www.clubinsideronline.com](http://www.clubinsideronline.com) to check them out! We know you will not be disappointed. We thank you for reading about the evolution of our publication and plans for the future, and we sincerely look forward to serving you in the years to come. Feel free to contact us any time if you have ideas, suggestions or exciting news to share:

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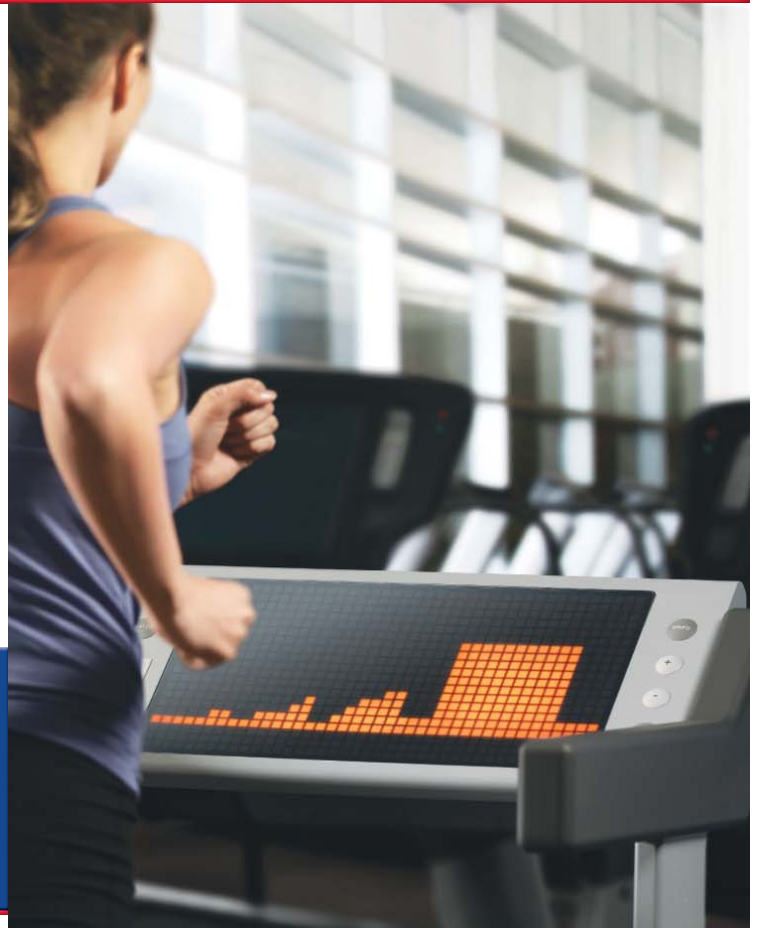
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**Make  
It Fun!**



## ...Woodard-Chavez

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a fabulous experience I had at the hotel and how gracious his staff was throughout my visit. I found out that this man was the General Manager of the hotel, Patricio Camaioni. When this man approached me and greeted me with "Buenos Dias, Senora Chavez," I had to chuckle to myself because he was the classic example of a manager who was very clear about his expectations with staff, trained staff well and was superb at following through to make sure that the staff was creating what was expected. We had a discussion about these elements, and he stressed the importance of always observing and listening to ensure that the quality of the experience is as consistent as promised by the brand.

When I teach my management programs, one of the points that is consistently emphasized is the need for **Management By Wandering Around** (MBWA), and that is precisely what Patricio was doing. Kudos to him for doing it, and Kudos to the Fairmont for having a General Manager that is so passionate about the delivery of stellar service.

The points shared with you in this article are so easily transferable to your

facility. The fact that the staff knew and used my name was impressive and easy to implement. In the restaurant, when one person knew my name, that was clearly communicated to all of the other staff that would be serving me. You can do that in your facility as well. Train the staff to communicate with each other and share the names of the members and guests that they know with other staff. Better yet, train and require them to introduce themselves to everyone they do not know. Then, you, as the manager, need to be listening, observing and following up with staff to ensure that that behavior is happening. If you were to implement the points from this article, how would that affect the sense of inclusion and welcome that your members and guests experience? And, how would that, in turn, affect your retention and bottom line?

*(Karen Woodard-Chavez is President of Premium Performance Training in Boulder, Colorado and Ixtapa, Mexico. She has owned and operated clubs since 1985 and now consults with and trains club staff throughout the world. She provides her services on-site, online, by phone and through her books, CDs, DVDs and manuals. She can be contacted at (303) 417 - 0653 or [karen@karenwoodard.com](mailto:karen@karenwoodard.com))*

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# Accelerating Out of a Slow Growth Economy

## *A Revisit and Expansion of Step 3 in the Series: Fifteen Steps to Paradise*

By: Will Phillips

**Publisher's Note:** This material is so critical that Will Phillips has taken a short break from his Fifteen Steps to Paradise Series that he's been presenting to CLUB INSIDER readers for the past eleven months. This is a very important action article, so don't miss reading every word of this!

• • •

This may be the most important article you read in the next ten years. It goes to the heart of the success of your business. Read it and take action, now! It describes how the rules of the game have changed. Adapt to these changes and thrive or wait for the economy to come back and suffer. In the same way we prepared our Roundtable members for the recent recession by practicing severe cost savings programs three years before the recession hit, it's now time to prepare for anything because we cannot prepare for everything.

### Our New Economic Reality

We are in for a period of prolonged slower growth. You can see this in the slow recovery from our recession of 2008-09. Not everyone thinks the recovery will be slow, but many, many commentators do. We encourage you as a club to adopt a strategic

view of a slow growth future and set your strategies accordingly (suggested strategies are listed below). If you do this and growth speeds up, you will be ideally positioned to rocket forward. If you do this and growth is slow, you will be a very successful survivor.

Here are some of the factors driving slow growth... The Baby Boomer bulge is producing an aging population with an insufficient working, tax-paying population to support them and soaring medical costs with the highest costs in the last months of life. This and the number of Boomers makes it even worse. Add the huge underfunded pension liabilities of our public employees. Then, there is the permanent unemployment of the undereducated. Additionally, a permanent shift in middle class jobs overseas (ForeveryoneApple employee in the United States, there are ten in China). Rising unemployment puts increased pressure on governments to protect domestic workers at the expense of migrant workers. We are reducing immigration to the U.S. of low paid service workers and high level foreign born Ph.D.s. Typically the immigrants have been the entrepreneurs who have founded over a third of our new businesses, such as Intel and Google. Many of these factors combine to make the rich richer and the poor poorer. 85% of the financial gains during our

pre-recession boom went to 1% of the population. The potential for social unrest and political instability increases.

Banks, rather than realizing their losses, have chosen to hold onto their assets in hopes that the economy and the housing market will improve. In doing so, they have attained zombie status. They appear to be solvent but only because they have not acknowledged the deterioration and true value of their assets. Zombie banks do not make loans. Anglo-Saxon capitalism is troubled. Executive pay is not related to performance, boards do not understand the businesses they govern and short-term shareholder returns drive all decisions. Government is stymied in taking collaborative action, lobbyists drive most legislation and national debt in the U.S. and Europe is extremely dangerous.

### The New Economy Has Produced A New Consumer

Between the summer of 2007 and 2009, U.S. household wealth shrank by 22%. In the past, consumers could be counted on to spend in the economy during a recession. But, no longer... The times of easy wealth creation in stock markets and real estate are done in our lifetimes. Consumers worldwide, and especially in the U.S., can be expected to be more value conscious, extend their working lifetime and become more conservative. Many consumers will be trading down, indicated by the slowed sales of bottled water and with supermarket private label products taking share from premium brands. Being frivolous is becoming unacceptable and frugal is cool.

Much of what I have summarized above is based on research conducted by one of our country's oldest, most business and market-driven consulting firms, The Boston Consulting Group, from a number of surveys among C- level executives in large companies with revenues in the billions. Of course, you are not that big, but you are in the same economy! Read their complete book, cited in the resources section. This research

also looked at three critical periods --the Great Depression in the U.S., Stagflation in the 70's and the Japanese Lost Decade-- to discover what the winners did. The following is what they learned.

Defensive strategies are the foundation of success, and they include:

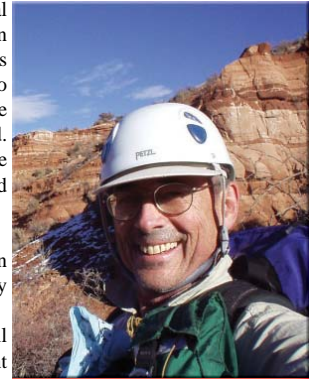
1. Protecting your cash position by managing cash flow actively and aggressively.
2. Renegotiating with all suppliers; only the innocent believe there are such things as fixed costs.
3. Postpone spending on new projects.
4. Focus on inventory reduction and capacity management (unused space and times).
5. Deleverage by reducing debt levels.
6. Divest or close any parts of the business that are not paying their way. Specifics for many of these strategies were outlined in earlier articles of mine.

Going on the offensive during slow growth is necessary to keep your business healthy. The above six defensive strategies will only keep you alive. Here is what history tells us about successful slow growth strategies:

**Increase marketing.** When everybody else was cutting back on advertising during the Great Depression, Proctor and Gamble continued to spend. In fact, P&G launched or bought more brands during the Great Depression than in the ten years before or after it.

**Increase innovation.** For a club, this means such things as exploring new programming, clubs within clubs and new pricing. DuPont developed Neoprene and Nylon during the Great Depression. IBM anticipated the need for accounting machines in the Depression and continued to invest and sell large quantities of these during the Depression. GE developed the refrigerator, the vacuum cleaner and the washing machine during the Depression.

**Expand when your financial core is solid.** Consider mergers and acquisitions. During American Stagflation in the 70's,



Will Phillips

Burger King cut back its restaurant openings to 200 a year, while McDonalds maintained 500 a year. By the end of that period, McDonalds had won the hamburger wars.

**Develop new ways to package and price.** Consumers are expecting highly competitive pricing. After McDonalds reorganized its supply chain in the '70s, it was able to reduce costs in 1978 when Wendy's increased prices by 14% to cope with inflation. Of course, cutting prices without a cost advantage undermines margins and produces destructive price wars.

**Remove features, break out pricing and slim down offerings.** This gives consumers an option to buy more or less or divide a purchase into two lower-priced elements. Lock in customers, and then sell additional higher margin products and services. During the '90s recession, U-Haul was losing profitability. Its new strategy was to lock in customers to a truck rental and then leverage their position of convenience to sell add on supplies at a premium. The impact was dramatic. In an industry with an average operating margin of 3%, U-Haul's was 10%. Shift from selling products and services to selling outcomes and experiences. There is a great deal of new ways for pricing that are emerging in other industries. Begin with Dan Ariely's book, *Predictably Irrational*.

**Expand jobs by making staff flexibility and broad job definitions the norm.** In low- (See Will Phillips Page 23)

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**...Will Phillips**

continued from page 22

cost airlines, for example, flight attendants also clean the cabins between flights. Focus attention on delivering the basics.

**Resources:**

*Accelerating Out of the Great Recession: How To Win In A Slow Growth Economy* by David Rhodes and Daniel Stelter

*Predictably Irrational* by Dan Ariely, in book form or on YouTube.

(Your comments and inquiries are welcome by email: [Will@RexRoundtables.com](mailto:Will@RexRoundtables.com). Will's blog is [www.HealthClubGuru.com](http://www.HealthClubGuru.com))

**REX Roundtables For Executives #2**

During the last 18 months, REX Roundtables has doubled in size by adding a number of new roundtables in the United States. In addition, REX Roundtables continue to grow in Australia, New Zealand, and Brazil. This fall, REX will launch its first departmental roundtable for marketing directors of clubs whose owners are in a roundtable. This marketing roundtable will have members from across a number of the REX Roundtables but no competitors will be in the same group. The Marketing Roundtable will have one 2-day meeting a year plus brief meetings at the annual IHRSA convention along with quarterly conference calls. In addition, successful marketing campaigns will be posted on the Marketing Roundtables intranet spelling out what they did, what they got, what it cost, along with PDF copies of the materials used. REX expects to continue this trend with the launching of other departmental roundtables.

One thing most people don't know about REX is that the U.S. partners, **Will Phillips** and **Eddie Tock**, both participate in their own roundtable which consist of seven other business owners who operate roundtables in home improvement, dentistry, optometry, garden centers and IT consulting, along with the chair of the automobile Twenty Groups --the oldest roundtables in the United States, which began in 1946. For more information, contact the company at (617) 481 - 9414 or go to [www.rexroundtables.com](http://www.rexroundtables.com).



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# How to Attract the Overweight Population

By: Donna Krech

## Part III

In Part I of this 3-part series, we came to realize that we need to meet the overweight person where they are in terms of what they want and need rather than think and plan on just what we want to give them. There are plenty of decent business models to use for weight loss, but only select ones will offer a plan that understands what the overweight member wants and will show you how to implement that understanding into your marketing, sales presentations and servicing, ultimately bringing that member into a full fitness membership.

Part II of this series then gave us steps to follow to begin getting our businesses, minds and attitudes ready to bring the overweight market in. Assuming you've thought it through and have met with those who will be making this decision with you, the following are precise "how-to's" for setting weight loss up successfully in your club. If you haven't seen the first two articles, no problem! Go to [www.clubinsideronline.com/archives](http://www.clubinsideronline.com/archives), or just contact us by phone at (419) 991-1223 or email at [info@thinandhealthy.com](mailto:info@thinandhealthy.com).

Any successful person understands the Law of Nature which says, "If we fail to plan, we plan to fail." In order for your weight loss plan to really bring people to you that aren't coming now, you need to stick to a plan that has that as its goal. The following are exact steps we've used for years to ensure success in the businesses of weight loss inside of clubs.

### Have a Plan and Follow It!

**1. Shop your competition.** You have to have a Unique Selling Proposition to die for if you're going to be #1!

**A. Know what the market wants.** Do you think they *want* to eat high-protein, low-carb foods forever? No way! They want to eat real foods, good foods, and they want all the choices. They want their baked potato AND bread in one meal! They want

their cake and want to eat it too (Don't we all?). Implement a program that offers healthy ways for them to eat what they want.

**B. Buy from your competition.** What's smooth, what's rough? How's their follow-up? What could you learn from them? How do you compare? Check all the details; website, brochures, everything. What details would cause them to win or lose prospects?

**C. Phone-shop competitors.** How do they answer the phone? Do they make you want to go in? How does your script compare? When preparing your script (Pleeeeeeease don't even THINK about not having script!), be sure to give information about your benefits and not the details of the whole program. You'll end up doing a presentation over the phone, and that's not what you want. I don't believe in giving prices over the phone. I believe in giving honest, upfront information about all the ranges of investment available.

**Hint:** Don't have one program with one price. People come in all colors, shapes, sizes and interests. Understand that when offering weight loss options.

**D. Get "insider" info.** Ask other business colleagues what experiences have been had with this competitor. This will let you know what kind of business person you're dealing with, plus you may find your peers have actually been on their program and can give you some fantastic insight.

**2. Check applicable advertising rates.** This is the order that typically pulls best:

- A. TV
- B. Radio
- C. Direct Mail
- D. Newspaper
- E. Billboards.

Unfortunately, no marketing avenue is absolutely the best in all places, so cost is key here. A guideline of 10% is wise. There's nothing wrong with spending more if you know what pulls best and what to run when.

**3. Decide the best location to put your weight loss area in your club.**

A. Placing your weight loss service area in any random spot in the club that may be available will allow only your members to enroll, as they are quite comfortable in the club environment and don't mind if they have to walk through the club to get to the designated spot. We've already seen that the outside market isn't coming to the club, so you need to know what your goal is. If you only wish to get your existing members to purchase your weight loss concept, this location is fine. If you want the outside market to come to the club and enroll because he feels comfortable, you'll want a more private area.

B. A more secluded area of the club, ideally with its own entrance, will offer more comfort for someone who doesn't especially want to come to the club and also gives him the privacy he is looking for when weighing in.

**4. Decide which business model is the right choice for you.** Consider going with something proven. If you decide to create your own concept, be aware of the laws in your state that govern weight loss. Work with behavioral psychologists, MDs, dieticians, personal trainers and personal coaches to create a program that will bring about the best results.

Finalize your decision or agreement:

**A. Licensing** - usually looser terms where you have more freedom and the investment is lower.

**B. Franchising** - usually you pay a royalty on what you gross and the franchisor calls many of the shots.

**C. Creating your own model** equals no support, no proven techniques and higher risk because you have no network supporting you.

**5. Ideally, visit a location for practical study, observation and training.**

A. A good concept will provide a "Crash course," something designed to teach you in one day if necessary. This will give you a great overview of what the business is like.

B. Be sure to take practical training. You'll never get what experience will teach you from a book.

C. Check to be sure clinical training is also in place. You need a comprehensive understanding of what you're doing and why you're doing it. You want a certification when you're done.

**6. Arrange separate phone lines** (the overweight person has hung up when he called a club and thought he was calling for weight loss). Do any build-out that needs to be done and produce any signage that needs to be designed. Interview and hire people who've lost weight or understand weight loss, and give proper orientation so he is aware of how to understand and help the overweight person accomplish his goals. Cross-train in nutrition, PT and marketing!

**7. Join the Chamber of Commerce.** Send out press kits. Make your face known everywhere you can as the new expert in town on weight loss. Schedule speaking engagements, set up media interviews, etc. Use the chamber for marketing!

**8. Purchase only the amount of furniture and office supplies that are needed.**

**9. Place a Grand Opening Ad** (advertise this concept separately from the club).

**10. Take and review clinical training to understand and be able to function in all capacities of position.**

**11. Be sure a full marketing plan is in place, internal as well as external.**

- A. Advertising, direct response.
- B. Speaking
- C. Charity Co-oping
- D. Business Co-oping
- E. Referral system
- F. In-house parties
- G. Wellness



Donna Krech

H. Social Media

I. Phone scripts and more.

Don't think about it anymore! Don't hesitate, don't wait, and don't procrastinate. Our industry is the one that can change this epidemic! Take one step, visit one location of a proven concept or make one phone call to investigate the options available. Just do something! E.F. Gray, the author of *The Common Denominator of Success* says those who succeed share one trait. They are willing to do the things that unsuccessful people are not willing to do. Sure, this will take work. It will take planning and even investment. It may take one or two more people on payroll, and it will definitely mean being seen as an expert in weight management in your community! Those who don't succeed at it don't want to do any of these things. Well, guess what? Neither did any of us who've succeeded so tremendously at it, but we were willing. We were willing to do what needed to be done, not just make an incredible living, but to make a miraculous difference! William Gray said the way to accomplish any task or change any behavior is to do something immediately upon desiring it. He said *not* to think about it, *not* to check into it next week and *not* to budget it for next year! He said to do something *right away*. Are you willing to investigate? **Are you willing to start now?**

(Donna Krech is the Founder and CEO of Thin&Healthy Total Solutions® a Lima, Ohio-based company. Donna may be reached at [donna@donnakrech.com](mailto:donna@donnakrech.com)

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# Club Certification

By: Angie Pattengale

One of the main challenges for any club is to keep members coming back through the door. Whenever it is the trainer's intention to focus on safe and effective instruction that rouses the interest in health and fitness amongst members (all while using the club's facilities), there is a win-win for the trainer, the club and the desired fitness goals of both existing and new clientele. The quality of a health

club's personal training staff can be the key to keeping members coming back for more.

The importance of keeping a top-notch personal training department in your club cannot be understated. A constantly evolving fitness industry and increasing health awareness equals a growing number of health clubs expanding their offerings to include or improve personal training services. Generally speaking, personal trainers account for

a large share of health club profits. Even in the event that a gym's memberships and member participation start to decline, there is still significant opportunity for increased profits from personal training services which translates into increased new member potential.

When comparing member retention to the club's personal training department, there is a strong correlation; according to the results of a recent census of health clubs by the International Health, Racquet & Sportsclub Association (IHRSA), personal training is the most commonly offered program, with a robust 91% providing this service. More than 50% of these clubs state that personal training is among their top five most profitable programs.

## The Need for Certification

While it may be possible for some fitness instructors to start out without a certification, they are often encouraged or required by their employers, their clients and their insurance carriers to become certified. A club that requires the proper certification for its personal trainers shows its clientele that they are working with professionals who have the specialized knowledge base and skill set that is required to properly perform the job.

It is important that clubs have an understanding of what types of certifications are available, how they may differ from or complement each other and how each may be suited specifically to the needs of club members. It's even more important to understand what certification is and how it legitimizes specific professions. Certification processes that have been validated through accreditation protocol and governance establish a measurable and legally defensible standard for quality assurance.

There's a shift in the popular perception of personal fitness from a luxury to a necessity, and it's time to take full advantage of the opportunity to reach more people wherever they are on their fitness path. The personal training industry has seen an increase in mainstream attention, which paves the way for new and effective fitness

initiatives that now span across a larger, more diverse fitness market. Take, for example, extremely valuable tools and industry-wide resources for the serious fitness trainer, client, and certification organizations; like "fitnessconnect", launched recently by IDEA Health & Fitness Association, which offers the largest personal trainer registry through a major collaboration of industry certifiers. NFPT promotes efforts like these which stem from the collective input of industry experts; we support those efforts that are in the best interest of both client safety and personal trainer effectiveness.

## What to Look for in Certifying Organizations

For most health clubs, the recognition of an accredited personal trainer credential is a prerequisite for employment, but it shouldn't end there.

While the classic view of one-on-one sessions with a personal trainer is still robust, new opportunities are emerging in the area of group sessions among special populations, communities and corporations interested in improving health and well being; outreach for improved health and fitness is on the rise across a number of specific fitness disciplines and populations. Now, more than ever, clubs should seek out personal trainers who go beyond the initial CPT credential and who seek out continuing education for more than the purpose of maintaining their certification credential. In fact, right now might be the perfect time to consider the relationship between the caliber of your personal training staff, the number of clients who seek out their services and what it all means to your bottom line.

## About National Federation of Professional Trainers (NFPT)

You may already know that NFPT offers an uncommon approach to certification and continuing education. But, did you know it now has a new look and directed focus to go with it? The new NFPT orange torch logo is the most visible part of this new brand identity, but it's



the new axiom "Be certified. Be more. Be You." that embodies NFPT's core values of support to its affiliates and partners. "NFPT has provided quality education and credentialing to the personal training industry for over twenty years," said NFPT President and CEO Ron Clark. "Our new brand speaks to our continued focus on providing fitness trainers with the educational tools and resources to be successful." Throughout its 23-year history, the NCCA-accredited NFPT has remained focused on supplying the personal training industry with the most relevant educational tools and health and fitness resources.

For those looking into a career in the personal trainer industry, NFPT's new website ([www.NFPT.com](http://www.NFPT.com)) offers online enrollment for in-home distance learning courses as well as hands-on workshops and extended prep courses for earning your professional trainer certification. For experienced personal trainers, NFPT provides a range of options for earning continuing education credits (CECs) and specialty level qualifications.

"Today's trainer has many options, but is often unclear about the differences in standardization and certification," said Clark. "NFPT.com delivers the resources and tools for making informed career decisions and building a strong training foundation." Experience it for yourself! Check out the new [www.NFPT.com](http://www.NFPT.com) and "Be certified. Be more. Be you!"

(Angie Pattengale has worked with NFPT since 1992 with major organizational accomplishments that include the coordination of NCCA accreditation activities and the American Council on Education college credit award program. Mrs. Pattengale is the NFPT Director of Certification and acting supervisor of certification business functions.)

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### ...Norm's Notes

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attending were teammates from previous years, **CHARLIE NOGGLE** and **PAGE ASHBY**. He will be honored with induction into the College Football Hall of Fame posthumously in December.

**May LLOYD SPANGLER** and **DENNIS BYRD Rest In Peace**. Sadly, on the same day Dennis Byrd passed away, **KAY COWHER**, former N.C. State Basketball star, Women's Professional Basketball League player and the wife of former **Pittsburgh Steelers Head Coach, BILL COWHER**, passed away from skin cancer. Bill and Kay (Young) had met while Bill Cowher was a star linebacker for the N.C. State Wolfpack in the mid 1970s. They have three beautiful daughters. **May Kay Cowher Rest in Peace.**

• I was speaking recently with

**BEN MURRAY** (a good friend of mine and the owner of a Medical Ultrasound Company that sells ultrasound and other electronic equipment to Hospitals, Clinic & doctors) about the passing of my football teammate Dennis Byrd from a heart attack while he was having back surgery, and he told me something I didn't know. It was something that could save your life or mine; it's a really good idea to have your heart checked to see if it might be enlarged before you go under any anesthesia before a surgery. Ben explained that some people have enlarged hearts and don't even know it, and that problem might result in heart failure when the person is put under using anesthesia. He said that perioperative Echocardiography, the procedure to check your heart to see if it's enlarged is simple and inexpensive, and you should ask your doctor or Anesthesiologists about it if you're planning an

elective surgery, such as knee, hip or any kind of surgery. And, you should let your family know about it in case you're unconscious for any reason, and they're planning to operate on you. Ben sent an article to me about this subject that's about two pages long, so if you'd like to read it, send me an email at [Norm@clubinsideronline.com](mailto:Norm@clubinsideronline.com) with the subject line, "**Enlarged Heart**," and I'll send it to you right away.

• Folks, to close these **Norm's Notes** for our **200th Edition** of **CLUB INSIDER**, I want to say "**Thanks**" to all of you who make your living in our wonderful industry. I admire you. I respect you. I totally relate to and identify with the work you do day-in and day-out and year-in and year-out to make your club as good as it possibly can be. I share your passion for what you do. Importantly, I cannot emphasize

enough my appreciation for what you all do for our wonderful America and the world every day. I cannot emphasize enough my belief that you are doing extremely important work for the future and well being of these glorious United States of America or your country. What a pleasure it has been to serve you every month! My son, Justin, and I have a deep commitment to producing a helpful and meaningful publication for you every month. **CLUB INSIDER**, since day one, has been looking out for our industry with a keen eye and a sincere heart. It's been my job to prod and push and seek higher ground for our industry wherever possible, and I've tried hard to do that in our first 200 editions. It's your job to do the same in your club(s), and I want you to know that Justin and I will continue to work as hard as our minds and bodies will allow us to deliver the best publication we can every month.

That has been, and continues to be, our sincere pledge to you all.

-Norm and Justin Cates

• **God bless our troops, airmen and sailors in the Middle East and around the world as they protect America's freedoms and liberty. God bless you, your family and your club(s). God bless America!**

*(Norm Cates, Jr. is a 36-year veteran of the health, racquet and sportsclub industry. Cates is the Founder and Publisher of CLUB INSIDER, now in its 17th 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](mailto:Norm@clubinsideronline.com))*



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# Programming Tip of the Month: Specialty Programs... Ladies Luncheons

By: Sandy Coffman

September is a wonderful month to give something special to the women in your club. Children go back to school, and many schedules change for many months to come. Take this opportunity to give the ladies of your club a special day to remember. *Pssst... They'll come back for more! I promise!*

Every club (Coed or otherwise) should have a **Ladies Luncheon Event** for one reason or another. The purpose may be to grow a program, to retain the members, to recognize a particular niche, to bring socialization to a program, or to increase program participation in a particular time frame. Here are some examples of Ladies Luncheon Events:

1. Ladies Luncheons are wonderful opportunities for "End of League" parties, such as for Ladies Racquetball Leagues,

Tennis Leagues, etc.

2. A "Daytime Ladies Luncheon" is a terrific event to have on a quarterly basis for all the women who participate in *any part of the club* during daytime (non-primetime) hours. Depending on the size of your facility, a Daytime Ladies Luncheon will honor those that use your facility between the hours of 9:00a.m. and 3:00 p.m.

- Invite *all* women from group exercise, the fitness center, court sports and the pool to join in for a social celebration. Encouraging daytime participation will always be beneficial for your club. The evening or primetime classes can be invited as well, even if it is a luncheon, because it is a one-day event.

- Invite *all* group exercise classes to enjoy a Ladies Luncheon. It's a tremendous opportunity for all

the instructors to be available to socialize with the members and to promote their classes.

- Ladies Luncheons help lap swimmers and aquatic exercisers to come together, meet one another and celebrate their love for the water.

## Description and Specifics

1. The Ladies Luncheon must be promoted well in advance and have a sign up system.

2. The Ladies Luncheon must include an activity event as well as a social luncheon:

- A Group Core Cardio Program
- A Court Sports Round Robin
- A Circuit Class
- A sampling of Group Exercise Programs
- The Grand Prix
- A Ladies Affaire

3. The Ladies Luncheon should include some kind of a recognition program for program performance or attendance at the event (Door Prizes or awards).

4. Pictures of all the participants of a Ladies Luncheon must be taken and displayed on a bulletin board for at least one month after the event. The Ladies Luncheon is an event that every woman should want to attend.

The members should feel as committed to the next party as they are to their next league match or group exercise class.

5. Have all the ladies be involved in the success of the program. Everyone attending should make a contribution to the luncheon, such as a Pot Luck Luncheon.

## Tips For Success and Points To Consider

- The Ladies Luncheon should be attended by as many staff people as possible. Your members want to get to know the staff personally and professionally. It is a great opportunity for the staff of other activity departments to promote other programs in the club.

- Managers and owners should make an appearance at every Ladies Luncheon. It's a very easy way of forming a bond with the membership.

- If there is a theme involved with the Ladies Luncheon, you may want to add costumes or the like to the staff, and definitely decorate the club. The ladies love it!

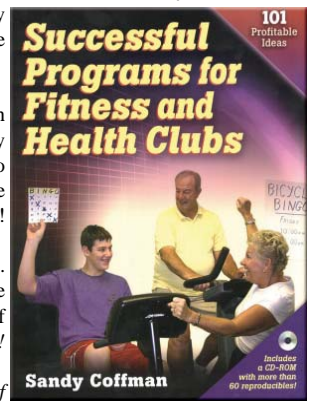
- Don't forget to take pictures. Display visibly for at least one month and save for promotion of the next Ladies Luncheon. *Enjoy!*

(Sandy Coffman is the "Dean of



**Sandy Coffman**

*Club Programming." To order Sandy's great programming book, **Successful Programs for Fitness and Health Clubs: 101 Profitable Ideas**, go to [www.humankinetics.com](http://www.humankinetics.com). Contact Sandy at [SLCoffman@aol.com](mailto:SLCoffman@aol.com) or visit [www.sandycoffman.com](http://www.sandycoffman.com))*



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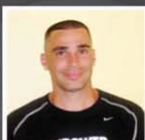
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