

Norm Cates' CLUB INSIDER™

The Pulse of the Health and Fitness Club Industry



Mike Minton Addressing SBA Event

Minton's Sportplex *An SBA 100 Business!*

SEPTEMBER 2011

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Norm Cates' CLUB INSIDER™

The Pulse of the Health and Fitness Club Industry

Minton's Sportplex

An SBA 100 Business!

By: Norm Cates

Mike Minton's Sportsplex in Texarkana, Texas was honored on August 24th when the Small Business Administration (SBA) named Minton's an SBA 100 Business. The SBA 100 list features 100 businesses in the United States that have created at least 100 jobs after receiving SBA assistance.

CLUB INSIDER brings our monthly cover stories to you so that you will be able to learn from the experiences of highly successful, long-time club owners, and ultimately, may employ what you learn from them in your new or existing club(s). You're receiving this update on Mike Minton's story because since our first cover story on Minton's Sportsplex in July of 2001, Mike has expanded his club's facilities and services dramatically, and you'll benefit from learning about his journey over the past ten years. We invite you to read on and enjoy learning from Mike!

For those not in our industry and on the outside looking in, the health and sportsclub industry is one that takes an awful lot to step in, develop a plan for a club, fund construction of it, successfully build it and get it open for business. For

Mike Minton, early involvement in our industry came as a result of his full-time job as a business consultant outside the industry. His experience is most unique.

In my 37 years of involvement in our industry, I've known many club owners who were faced with the option of either growing their club to be bigger and bigger and better and better by offering more and more facilities and services or developing a second, a third, a fourth, a fifth club and so on, until their club organization becomes a serious chain player.

The most successful single-club owners in the United States have moved their clubs from a space that was originally leased to a building they've built on land they've purchased. This is the case of Mike Minton. His story is one of great dedication, effort and success achieved by outside-the-box thinking, hard work and giving back far more to the community than he takes out.

Long ago, following in the footsteps of folks like Red Lerille of Lafayette, Louisiana, Minton chose to stick with one club and make that club better and better. Today, his 70,000 square feet of club facilities sit on six acres in several buildings on Richmond Road in Texarkana, Texas. The club stands as clear testimony to

Minton's
SPORTSPLEX
FAMILY FITNESS

Minton's vision, hard work and dedication to his community. He chose a one-club future versus a multi-club future, and this could well be the choice you're destined to make, so choose carefully!

Are you at this crossroads in your club business? Or, are you just getting started in this industry? Do you have a very successful club that is four or five years old, or older and doing very well, but you think you could do even better were you able to expand it and add additional facilities and services? Or, are you facing and fighting off the *temptation* of building more clubs?

The decision you make as you seek to find the right path could truly impact the rest of your life. Here is hoping you make a good and the right decision for your future. Also, here's hoping this second cover story on Minton's Sportsplex helps you make the best decision for you!

We're pleased to present this interview with Mike Minton, 25-year industry veteran, founder and owner of Minton's Sportsplex in Texarkana, Texas with comments from Amy Cornish, long-time Sportsplex Youth Director.

An Interview With Mike Minton With Comments from Amy Cornish

CLUB INSIDER (C.I.) - First, congratulations on your SBA 100 Award, and more congratulations on your 25th Anniversary, Mike! A lot has happened at Minton's Sportplex since July of 2001, a little over ten years ago, when we published your first **CLUB INSIDER** cover story. How about bringing us up to date on all of the key developments and improvements you've made there over the past ten years.

Mike Minton (MM) - Wow, where do I
(See *Minton's Sportsplex* Page 10)

Red Lerille to Receive Lifetime Achievement Award!

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Norm's Notes

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

•**Is America a great country** or what? **NEVER FORGET! Let's Roll! Hmm... Hmm...Hm!**

•**NEVER FORGET 9/11!** In memory of the 3,000 people murdered in New York City, Washington, D.C. and Pennsylvania on **September 11, 2001**, I'm writing this **Norm's Note** on **September 11, 2011**, the **10th Anniversary** of the terrorist attacks on the two **World Trade Center Towers** and the **Pentagon** by **Muslim extremists**. Reflecting back ten year years, I have my own memories of the horrific 9/11 events, and I know you have yours. Americans will *never forget*. We will always have our own special memories. I remember going to New York City not long before 9/11 when I visited with **MIKE MOTTA**, and he showed me one of his earliest **Plus One** fitness centers. It was located on the ground level of one of the World Trade Center towers. I remember **TODD BEAMER**, one of the passengers onboard the hijacked **United Airlines Flight 93**, saying the words, "**Let's Roll!**" as he was heard by his wife on her cell phone just seconds before her husband and other brave passengers prepared to break into the locked cockpit door and attack the terrorist pilots, knowing full well that it could lead

to the immediate death of everyone on board. I remember the agonizingly painful sight of people jumping from the burning and smoking World Trade Center towers, choosing an immediate death as opposed to an agonizingly painful one by fire.

Those videos and a photo today in the Atlanta newspaper still bring tears to my eyes. I remember the **New York Fire Department's** first responders that climbed the stairs of the burning **World Trade Center Towers** to try to save folks trapped many floors above, only to lead to their instant deaths when the two towers collapsed. I remember lots of anger... my anger and the anger of all Americans over this disgusting attack. I remember the brief feeling of unity in our great country after the attacks... my guess, a feeling of unity that left us as the first Post 9/11 year went by, and I'm sad to say, unity that will not be regained until we have real, honest change in Washington, D.C. I remember that, even today, hundreds of the NYC first responders are now suffering from potentially fatal lung diseases caused by the thick smoke and ash plume that billowed into a thick cloud all over Lower Manhattan when the towers collapsed. As to commercial airline travel these days, I can't say that I'll ever be at ease in a commercial airliner again. Will you? Note here please that these words are coming from the keyboard of a former commercial airline pilot. I can only imagine how all of

you feel when you fly commercially now.

I pray for America every day, and I hope you do, too. May God bless and keep you and your family and may our wonderful United States of America be safe. **May God bless the souls and the families of all of those killed on 9/11/2001.**

•**Let's roll** into this **213th Edition** of **Norm's Notes** with me saying **Thank You** for being you and for what you do! I've written a special message to you all on our **Insider Speaks Page #6** this month. I hope you realize the intent of my message. I really look forward to seeing as many of you as possible at the **Club Industry Show** in **Chicago, October 12-14th!** Be sure to check out the **CLUB INSIDER Booth #s** of our **Advertisers** on **Page #7** and do stop by, visit with them and do business with them. **You'll find that our CLUB INSIDER advertisers are really great people, and they will treat you well and earn your business!** So, please visit them at their booths and me at my **Booth #941**.

•**Right before** deadline for this edition, I called my friend, **RED LERILLE**, in Lafayette, Louisiana, who will be honored by **Club Industry Magazine** in Chicago on **October 13th** with its **Lifetime Achievement Award**. I just wanted to wish Red well and tell him how great he looked on the cover of the **September Edition** of **Club Industry Magazine** and get an update from him. As usual, Red has a club improvement project underway,



Norm Cates

and this one is a *real doozie*, as it started in January, and he is just now finishing it up. This "*improvement*" at Red's is an 11,000 square-foot speed school facility that will take functional training program at Red's to a whole new level. For 48 years (January 13, 2012 will make it 49 years), Red has kept a vow he made to himself and that was to make at least one improvement to his club each month. Red started with 4,000 square feet in a rented space in a former boot store, and his facility is now right at *200,000 square feet on 22 acres* and continues to hold the position in my mind as the *single greatest health club in America*. No, make that *in the world*.

•**Inc Magazine's Inc 5,000 Report**, as reported in **Club Industry's Newsbeat**, (See *Norm's Notes* Page 7)

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18 Years and Counting!

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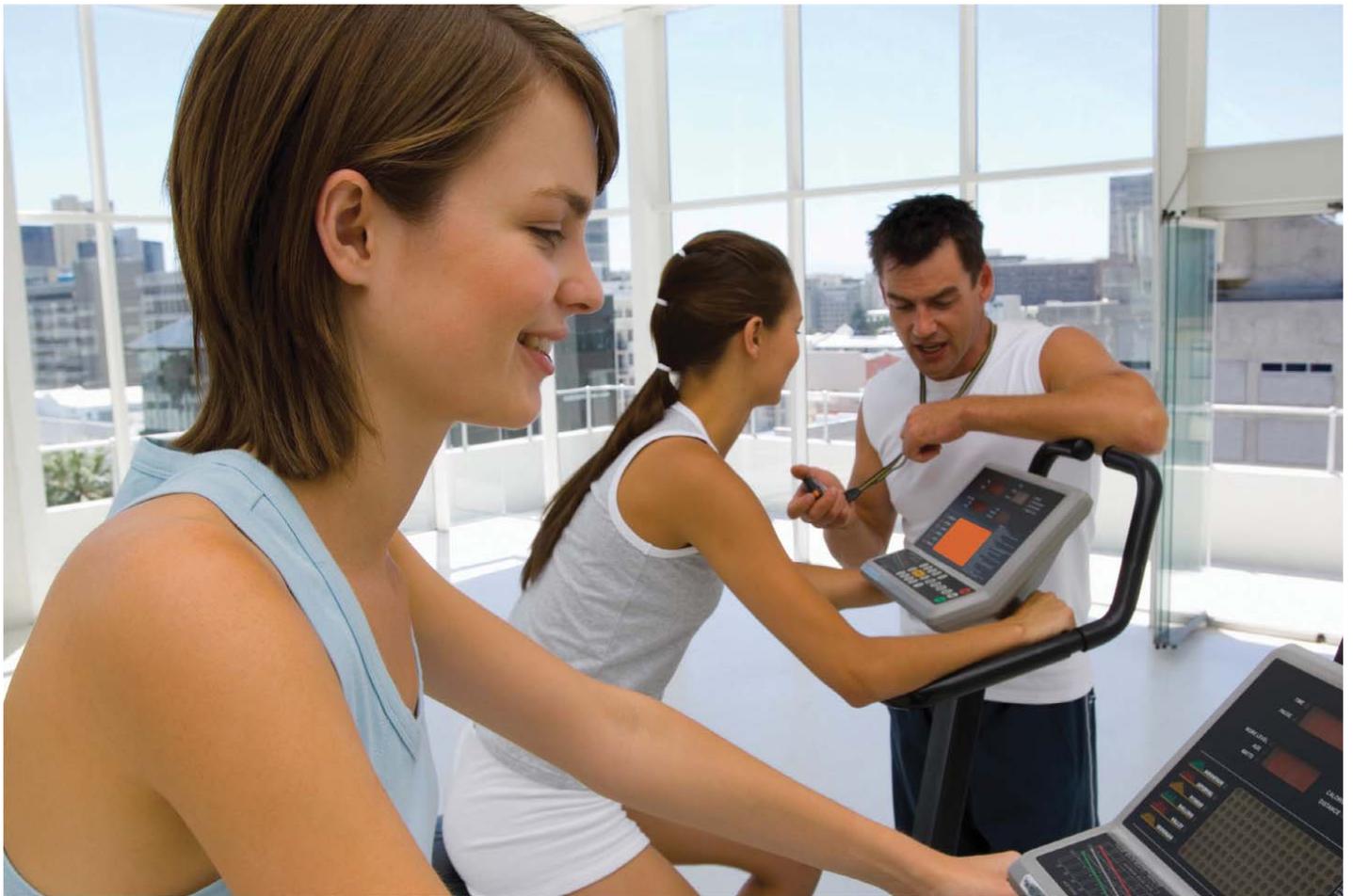
CLUB INSIDER
 P.O. Box 681241
 Marietta, GA 30068
 (O): (770) 850 - 8506
 (F): (770) 933 - 9698

www.clubinsideronline.com

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Thank You to Our Contributing Authors

- Rick Caro - President, Management Vision, Inc. - (212) 987 - 4300
- John McCarthy - 25-Year Executive Director of IHRSA
- Bonnie Patrick Mattalian - The Club and Spa Synergy Group - (732) 236 - 2273
- Bonnie Pfister - Co-owner, Longevity Fitness - longevityclubs@bellsouth.net
- Bruce Carter - President, Optimal Design Systems International - (954) 385 - 9963
- Casey Conrad - Communications Consultants - (800) 725 - 6147
- Chris Russo - Vice President, Susan K. Bailey Advertising - crusso@clubads.com
- Derek Barton - Owner, Barton Productions - derek@bartonproductions.com
- Donna Krech - Founder and President, Thin & Healthy's Total Solutions - (419) 991 - 1223
- Dr. Cary Wing - Director of Medical Fitness Business Development, Fitmarc - carywing@aol.com
- Greg Maurer - New Paradigm Partners - gmaurer@newparadigmpartners.com
- Jeffrey Keller - President, Independent Health Club Networking Association - Jeffrey_Keller@msn.com
- Jim Thomas - President, Fitness Management USA - (800) 929 - 2898
- Karen Woodard-Chavez - President, Premium Performance Training - Karen@karenwoodard.com
- Laurie Cingle - President, Laurie Cingle Consulting and Coaching - laurie@lauriecingle.com
- Maria Parella-Turco - COO, fitRewards! - map@newparadigmpartners.com
- Michael Sena - Midwest Regional Director of Sales, Visual Fitness Planner - michael@myvfp.com
- Michael Grondahl - Founder and CEO of Planet Fitness
- Ron Alterio - Northeast Regional Director of Sales, Visual Fitness Planner - ron@myvfp.com
- Sandy Coffman - President, Programming for Profit - SLCoffman@aol.com
- Steve Ayers - Vice President of Sales and Marketing, ABC Financial - steve.ayers@abcfincial.com
- Thomas Plummer - National Fitness Business Alliance - (800) 726 - 3506
- Will Phillips - Roundtables for Executives - Will@REXRoundtables.com



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The “Insider Speaks”

What A Treasure Our Beating Hearts Are On This Earth!

By: Norm Cates

The headline above is intended to make you think. Think about life. Think about death. Think about what you do every day that might enhance someone's life. Think about what you do every day that might save someone's life. Think... think... think... about life, how short it can be and how some of us don't think about **“What a treasure our beating hearts are on this earth!”**

I want to go on the record today as thanking you for what you do for America. You may not look at your work as “doing something for America,” but you are. You should be proud of what you do. My thought process on life, death and the value of what you do for America was prompted by the poem on **This Page** by **Author Unknown** that was sent to me by my cousin, Jimmy Kelley in Amarillo, Texas. Thanks Jimmy. It made me think of you all, family and friends, that I wish I were in closer touch with.

The poem (See **Sidebar**), author unknown, made me realize that I don't spend nearly enough of my time being in touch with friends that I love and that matter a great deal to me. This poem caused me to write this piece for you. If the shoe fits, wear it!

So, here are some important things I want to say to everyone of you. I write these comments to you below not because I think I am about to kick the bucket. I write these statements because I want YOU to know **that I really care about you**, I care about how your life is going and I care about how your family and your friends are doing. And, for sure, I care about how your club is doing because I know it's hugely important part of your life.

Here are some things that I want to say to each of you, from deep in my heart.

1. I believe that everyone of us in this industry is blessed to be in this industry.

2. I believe that every day you spend in our industry helping people improve themselves and their lives, you give them a special, awesome-loving gift.

3. I believe that each of us is blessed with a mind that is only limited by our own imaginations. What you do to grow and advance your knowledge of your business is like providing water and fertilizer to a garden.

4. I believe that our industry is just an

infant, a baby, and we're the parents. How we raise our baby and make him stronger is determined by how dedicated we are to him and how focused we are on giving him the tools necessary to excel in a world full of many other options for use of their time.

5. I believe that *learning in our industry* is the key to the future for our baby growing up strong and prospering. What we learn today can become a tool for the future for our infant industry. So, read **CLUB INSIDER** fully and carefully every month. Read *CBI Magazine* fully and carefully every month. Read *Club Industry Magazine* fully and carefully every month. And, read *Club Solutions* and *Athletic Business* fully and carefully every month. By studying, you will be making your knowledge of our industry and skills in it stronger and better. You will be nurturing a baby that will be on his way to being stronger and stronger.

6. I believe that for every failure in our industry, there are 1000 successes.

7. I believe that for every success in our industry, there will be ten more to come as time passes by.

8. I believe that when you give of yourself to others like you all do in your club businesses, you're following a path that was pre-determined for you, although you don't even know it.

9. Thanks for reading **CLUB INSIDER** today. You only have so many chances in life to do the right things and being in touch with your loved ones more frequently is clearly the “right thing.” So, pick up the phone and call someone you love that you've not spoken with recently. Once you're done speaking with him or her... heck... call me and tell me how it went. My number is **(770) 850 - 8506**. Or, send me an email at **Norm@clubinsideronline.com**. Or, drop by my **Booth #941** next month at **Club Industry** in Chicago. I would love to visit with you.

What a treasure our beating hearts are on this earth!

(Norm Cates, Jr. is a 37-year veteran of the health, racquet and sportsclub industry. Cates is the Founder and Publisher of CLUB INSIDER, now in its 18th year of publication. Cates may be reached by phone at 770-850-8506 or email at Norm@clubinsideronline.com)

The Poem

Around the corner I have a friend,
 In this great city that has no end,
 Yet the days go by and weeks rush on,
 And before I know it, a year is gone.

And I never see my old friends face,
 For life is a swift and terrible race,
 He knows I like him just as well,
 As in the days when I rang his bell.
 And he rang mine but we were younger then,
 And now we are busy, tired men.
 Tired of playing a foolish game,
 Tired of trying to make a name.

'Tomorrow' I say! 'I will call on Jim
 Just to show that I'm thinking of him.'
 But tomorrow comes and tomorrow goes,
 And distance between us grows and grows.
 Around the corner, yet miles away,
 'Here's a telegram sir,' 'Jim died today.'

And that's what we get and deserve in the end.
 Around the corner, a vanished friend.

Remember to always say what you mean.
 If you love someone, tell them.

Because when you decide that it is the right time it might be too late...

Seize the day. Never have regrets.

And most importantly, stay close to your friends and family, for they have helped make you the person that you are today.

- Author Unknown

...Norm's Notes

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which ranks companies based on their greatest percentage revenue growth from 2007 to 2010, included club companies: **Planet Fitness, O2 Fitness, Anytime Fitness, Mountainside Fitness Centers, Plus One Health Management and Snap Fitness.** Vendor/Supplier companies named on the Inc. 5000 list included: **TRX, Motionsoft, Mindbody, The Active Network, Big Ass Fans and Body Basics Fitness Equipment.**

• **Congratulations to GORDON JOHN-**

SON, long-time **Gold's Gym** owner in **Douglasville, Georgia,** as he was honored with the **Gold Gym International's President's Award** at their convention this Summer. That's a very nice honor for a very nice man. **Congratulations Gordon!**

• **Congratulations** also to this year's **Gold's Gym Award winners,** which include: **Best U.S. Gym, Fullerton, CA.; Best Group Exercise Programming, Suwanee, GA; Best Personal Training Programming, Columbia (Forest Acres), S.C.; Best Community Outreach, The Woodlands, TX; Most Inspirational Employee, MICHAEL WHITE,**

Douglasville, GA; Bravo Award, BILL AUSTIN; President's Award, Gordon Johnson and 2011 Hall of Fame, BLAIR McHANEY, our **CLUB INSIDER** cover story subject in June. There are many more, and again, congratulations to all!

• The comments I made in our **August Edition of Norm's Notes** about **WOW Licensee/club developer, STEVE BORGHI,** resulted in a couple of communications to me. The first was from **PAUL SCHALLER, President of ABC Financial,** which is one of Borghi's suppliers. Upon reading my August Norm's Note about Borghi, Paul sent an email to me expressing the concern that I'd only addressed bad things that I knew about Borghi, so he shared some good things about Borghi and his 20-club WOW operations that I'd not mentioned in my note. Paul's primary point was that Steve Borghi was nowhere near the type of guy the infamous **SHANE FRANKLIN** has proven to be. He explained that Borghi is a serious and legitimate club owner with 20 locations that serve 100,000+ members, and he must be doing some good things. I spoke with Steve Borghi on the phone and had the chance to ask him about each of the matters I reported on in our August edition. Borghi acknowledged those issues, and as Paul did, indicated that he has put those things behind him. I asked Steve at the end of that conversation if there were any other things that might warrant discussing, and he said no. Then, a phone call came on September 8th from an attorney named **JOHN ROCKWOOD, Esquire.** Rockwood left this message, as I missed the call:

"Mr. Cates, I'm John Rockwood, and I'm an Attorney based outside of Boston. I have a lawsuit against Mr. and Mrs. Borghi, and I must say my experience with them is entirely consistent with what you reported. I will have to check with my clients to determine how much they will allow me to disclose."

Stay tuned, folks!

• **BUTCH STAPLES,** heralded **Tennis Pro,** is leaving **Chicago's Midtown Athletic Club** (formerly **Midtown Tennis Club**), to build a new tennis facility in **Bluffton, South Carolina,** which is just across the river from **Hilton Head, S.C.** Staples will, however, continue his relationship with **Midtown** and its parent company, **Tennis Corporation of America,** acting in a special advisory position. **MIKE INSKO** has been promoted to the position of **Head Professional** at **Midtown Athletic Club.** **Tennis Corporation of America** owns and operates ten **Midtown** clubs in the **United States and Canada** (This courtesy of **IHRSA's** September 12, 2011 edition of **HR Digest**). Best wishes to **Butch and Mike!**

• **KAREN WOODARD-CHAVEZ,** veteran **Boulder, Colorado** club owner/operator, top-notch club consultant and long-time **CLUB INSIDER Contributing Author,** is launching a new service called **Club Excellence Training Program,** which will provide *customized* training for new Associate orientations, management and leadership training, sales training for dues and non-dues staff, hospitality and workplace safety training for the entire staff. Check out Karen's announcement on **Page #8.**

• **JIM THOMAS, President of Fitness Management USA** in **Texas,** informed me that **ANDREW CARCHIA** is creating a new club Association called **International Health Club Association.** More information to come, so **STAY TUNED!** For immediate information, go to **www.ihcafitness.com.**

• More and more **Americans** have stopped using the **United States Postal Service** for the delivery of letters, bill payments and other items. Because the U.S. Postal Service is suffering so badly financially, it was announced on **September 9th** that it would seek Congressional approval to make significant changes so they can avoid a potential shutdown in 2012. Since 2006, U.S. mail volumes in America have dropped by 17%. In the last fiscal year, (See *Norm's Notes* Page 8)

JLR Associates Announces the placement of

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...Norm's Notes

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USPS revenues fell by nearly \$7 billion. The Postal service says there is no end in sight to the blight and it will lose nearly \$8 billion this fiscal year and as much as \$238 billion by 2020, unless big changes are made. All this is bankrupting the Postal Service, which does not receive any government subsidies. "We could run out of cash next year!" say Postal Officials. It wants to charge more, introduce new products and expand access to its services cheaply, through self-service kiosks. It also wants to restructure the payments it is making into a fund for future retirees. At present, Congress insists that it pay \$5.5 billion a year into this fund. The Postal Service's most controversial proposal, however, is to end deliveries on Saturdays, something its counterparts in Canada, Australia and some European countries have already done. It has already cut staff, but it needs more cuts. They now want to eliminate 220,000 positions, of which 100,000 may come by retirements, but they want to lay off an additional 120,000 people and close 3,700 Post Offices in rural communities.

Folks, at this point, nobody knows how this is going to turn out. What we do know at **CLUB INSIDER** is that *IF* the United States Postal Service was to shut down tomorrow, **CLUB INSIDER** will go

on. That's why we need for you to provide your email address and the email addresses of your key staff members, should we not already have them. They will be kept 100% secure in our **CLUB INSIDER** Opt-In Database and not loaned to or used by anyone for any other purposes. So, go to www.clubinsideronline.com/optin to submit your email address today. Should the USPS ever shut down, stand by for an immediate email from **CLUB INSIDER** explaining our new online publication distribution program. We're sincerely hoping this does not happen because it's certainly going to be really rough on all publications in America that depend on the U.S. Mail. **Stay Tuned!**

• **MINDY STRICH**, the former **Director of Operations** of **TONY deLEEDE'S** 22-club **Australian Body Works Clubs** (which was sold to LA Fitness in 2000), has launched a new business she calls **To Serve With Love**, which is a company that provides assistance to the many families that simply do not have enough hours in the day. For more information on hiring a **Personal Assistant** in the Atlanta area, or elsewhere, you can contact Mindy at **(678) 642-7771** or mindystrich@mindspring.com.

• "Vacancy-plagued shopping centers in the United States are getting a lift from tenants who deal in sweat rather than typical retail

goods," was the first line in an article provided by **IHRSA** which chronicles how savvy club owner/operators are taking advantage of a depressed real estate market and are obtaining some great deals for new or relocating clubs. The report indicated that U.S. health clubs and gyms accounted for 8.8% of new leases signed so far this year by retail chains in the U.S., compared with 7.9% at the same point last year, according to real-estate research company Co-Star Inc. The rush into shopping centers has helped fuel a 57% increase in square footage occupied by U.S. health clubs since 2007, to more than 70 million square feet. So, our industry is becoming a real serious real estate player, and if you're planning on creating a new club, now might be the best time in a long time, real estate-wise, to do it.

• Speaking of new locations, **Snap Fitness' Founder and CEO, PETER TAUNTON**, has announced a partnership with **Rolling Strong** that will offer an easy-in, easy-out workout concept at numerous **Pilot Flying J Travel Centers** nationwide. The 960 square-foot workout centers will help thousands of daily travelers achieve their fitness goals and better results while on the road. The first Snap Fitness Rolling Strong gym is scheduled to open in the fall at Pilot Flying J, with a total of ten locations expected to be open and operating by the

first quarter of 2012.

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

• May **God** bless the **souls** and the **families** of all of those lost in the terrorists attacks on the **World Trade Centers**, the **Pentagon** and the passengers on **United Airlines Flight #93** ten years ago. May **God** bless our Troops in the **Middle-East** and around the world. May **God** bless you, your family and your club(s). **God bless America!**

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

IHRSA Releases The Health Club Consumer Report: 2011 Health Club Activity, Usage, Trends & Analysis

BOSTON, MA - The International Health, Racquet & Sportsclub Association (IHRSA) announced the release of *The IHRSA Health Club Consumer Report: 2011 Health Club Activity, Usage, Trends & Analysis*. This report analyzes demographics and participation trends of American health club consumers and expands on profit center opportunities for club operators.

"The *IHRSA Health Club Consumer Report* is both a valuable reference and indispensable guide," says Jay Ablondi, IHRSA's Executive Vice President of Global Products. "This report provides health club membership statistics and guidance beyond the numbers to help club operators better understand and engage their members."

According to the report, the "typical" health club member has the following characteristics:

- Equally likely to be male or female;
- Be between the ages of 25 and 44 (average age of 39.5 years);
- College graduate or higher;
- Earns at least \$75,000 annually;
- Been a member between two and five years.

Other topics covered in *The IHRSA Health Club Consumer Report* include health club membership fees, market share by club type, attendance and consumer profiles. The report also includes non-club activity participation by index, which provides additional insight into sports and leisure activities members take part in outside of their health club. New to this year's report are three-year membership trends, new member insights and membership outlook.

"In 2010, we saw membership reach an all-time high of 50.2 million members, which was fueled mostly in part by new membership growth" says Melissa Rodriguez, IHRSA Research Manager. "The ability of club operators to attract new members attest to the industry's strength and now lies the challenge to ensure new members are frequently attending their clubs for years to come."

Nearly three out of five new members were female. This compares with a near-even male-female split of long-term health club members. Since two-thirds of group exercise participants are females, club operators may implement a program incentivizing



Success By Association

frequent usage of group exercise.

The *IHRSA Health Club Consumer Report* is based on analysis of 38,742 online interviews that were carried out with a nationwide sample of individuals and households in early 2011. Produced in conjunction with Sports Marketing Surveys, this publication is available in PDF format at www.ihrsa.org/store for \$49.95 (IHRSA member price) and

\$99.95 (non-members). As a supplement to the report, cross-tabular data with in-depth breakdowns is available for \$69.95 (IHRSA member price) and \$139.95 (non-members). For more information on IHRSA research, please visit www.ihrsa.org/research. Contact **pr@ihrsa.org** with media inquiries, or call **(617) 951-0055**.



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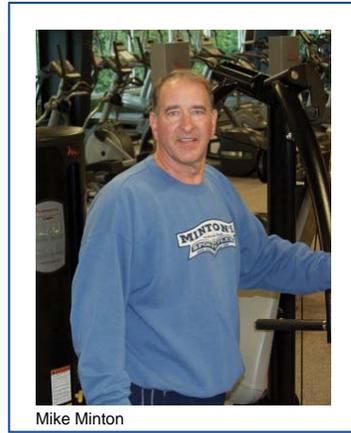
...Minton's Sportsplex

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start Norm? Over the last ten years we've added an outdoor basketball court, an outdoor football field, outdoor lap pool a new weight room, two indoor basketball/volleyball courts and we've expanded our after-school care program and facility. As part of that, we added a new addition to our health and wellness pre-school. That's our original fitness building that you saw ten years ago. That building is now a free-standing 20,000 square-foot health and wellness pre-school facility and includes our nursery as well as our award-winning after-school program. We also expanded and built a whole new adult fitness building, including a hair care salon, massage services, expanded food service with our Pulse Fitness Café where we're installing the NFL Network Ticket Today.

When we received the SBA 2010 Award the other day, I accepted the honor on behalf of our Sportsplex Team. I would have been remiss had I not identified and recognized two of our employees. The first one was Amy Cornish, our Youth Director. The other Sportsplex team member I introduced was Darrell Magee. Norm, Amy's sitting here with me now. She started with us in 1989 as a Fitness Director. Darrell Magee started with us in 1996 as Aquatics Director. Fifteen years ago, Amy headed up our after-school care program and she won Club Industry Magazine's Best of the Best Award in 2008. Amy has been by my side as we worked with our architectural team to design and develop the health and wellness pre-school and after-school care facilities. Furthermore, she's the one that developed our award-winning curriculum, *Developing Healthy Habits That Last a Lifetime*.

C.I. - Mike, let's zero in first on the expansion of your in-house school program at your club since Amy is with us. If I'm not mistaken, your club is the only club



Mike Minton

in the United States that has done what you've done in the youth education realm. This is exciting, pioneering work in the health and sports club industry, so please tell us all about it.

MM - Norm, you've really picked up on something that a lot of people don't pick up on, and that's the education element here. A lot of clubs provide programs for children; fitness and sports programming. Rarely do you hear the word *education*. As our programming for children has evolved over the decades, and as we made the commitment to the education of children and youth, we developed our health and wellness pre-school, which is *State Licensed*. In addition to our work on fighting childhood obesity by helping them create healthy habits that last a lifetime, we're also teaching these children reading, writing, arithmetic, art, sciences as well as fitness and nutrition elements. So, that's unique, Norm. We actually have a school. Amy has upwards of 90 employees that work in our health and wellness pre-school, after school care and our Summer care program. With that being said, I'm going to let Amy tell you a little bit about our education curriculum, and we can go from there.

Amy Cornish (AC) - We start with our



(L to R) Long-time Sportsplex Team Members Darrell Magee and Amy Cornish Introduced at SBA Event by Mike Minton

infants, toddlers and pre-schoolers that we provide all-day services for. The toddlers and preschoolers do have educational elements that include all the things that Mike just mentioned, but children learn from dramatic play. They learn through socialization with each other so we are preparing them for entrance into public school. We meet with principals, and we meet with kindergarten teachers to make sure that these children have the learning objectives that the kindergarten would like for them to have accomplished before they get to school.

C.I. - Amy, let me ask a quick question. You mentioned toddlers. What is the youngest age child you bring in?

AC - The youngest age we take is six weeks old. Children six weeks to twenty-three weeks are considered infants. Children twenty-four months to thirty-six months are considered toddlers. Children three to four years of age are pre-school and children five years of age to twelve years of age are school age.

MM - Norm, we have the capacity for sixty infants in our school. Our school license capacity is 350 students per day.

AC - We packaged our own academics to include learning with education in mind, but that also includes health and wellness. So, if we're talking about A, Bs & Cs, we're also including fruits and vegetables that begin with the letter A, the fruits and vegetables that begin with the letter B and so on. If we are counting, we may use counters that are fruits and vegetables, or they may include fish, but we always try to include the elements that are not only educational but also include fitness or nutritional elements. The children (the 3-4 year olds by a Pre-K definition) have a personal trainer that comes in two times a week and talks with them about nutrition, working out and building muscles in a very easy way. Going back to the Montessori

theory, children learn through play. So, if they are mowing the yard or playing with a little kitchen set, they're emulating their parents. We have workout equipment that is designed for 3-4 year olds, and it is workout equipment for them to be able to play and act that out because they can really copy what they see their parents doing in the club. We have a large variety of fitness equipment in our pre-school line called *Play with a Purpose*.

MM - As we're teaching these little ones how to do bench press, the barbell is foam-covered and the plates are foam. We also have miniature treadmills, cross trainers, ellipticals and bikes. It's very safe and equally unique. (See **Photo on This Page**).

AC - So, we're not only educating these kids academically, which parents find to be very important, but we're teaching them health and fitness. The program, of course, includes a free family membership, and they have the ability to go throughout the property with their parents to the pool and the family recreation center. Norm, my kids, age 13 and soon to be 10, have grown up here. I started working with children here full time when my son was three months old. I have no doubt that, as a result of my working here, my children will carry on and have some place like the Sportsplex in their future because they don't know any different. They believe that all kids work out and all kids are part of some place like the Sportsplex. Even as my son has aged out of the after-school program, he continues to want to get up at 8AM and come up here in the Summer months as he works out and interacts with other children. It's part of their daily lives. We not only know that it works, we have seen it played out in our own lives. In our first year of preschool, we had 20+ children, and we've probably had ten of them come to work for us! So, those children not only grew up here, but after they went on and (See *Minton's Sportsplex Page 12*)



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...Minton's Sportsplex

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graduated from high school, they wanted to work here with children.

"Crib to Grave"

MM - Norm, in working with the school-age children, the 5-12 year olds, and the success we've had with that age group certainly led to our downward expansion into younger children. A lot of that has to do with the new information and studies that we've gotten from IHRSA and other sources. The last one I read from IHRSA about a month ago was a study done in Great Britain in getting children involved in fitness and good nutrition as early as age one. Rather than waiting until they're five, start early. It should be right from when they are as young as one-year old that they are participating and experiencing health choices in their lifestyle. That's when we said, 'Wait a minute. We're doing great with these school-age kids, but we have to get to these children even earlier if we are going to defeat childhood obesity in Texarkana and America.'

We host the Chamber of Commerce Business Breakfasts here each month in our Pulse Café. The Chamber has a special program each month, Norm, and this particular program was on corporate wellness. Christian Morano from the Cooper Institute came over from Dallas to give this presentation to about 150 businessmen and women. When Christian wrapped up, he told me that he'd like to see our facility. When he went to our health and wellness preschool, his jaw dropped. He spent about an hour with Amy, and when he came back, he said, 'You guys have done something truly amazing here in your club. Mike, I'm going to use the phrase 'Crib to Grave' to describe it.' I enjoyed hearing that from Christian because we do have age ranges from six weeks all the way up to age 91 as members of the Sportsplex,

so from 'Crib to Grave' sure is a great way to describe it!

C.I. - Mike, tell us a little bit about your special status as a *State Licensed School Provider*?
MM - Norm, I'm asked this often by many club owners. We are a Texas State Licensed Childcare, Pre-school, and After-School Care provider and have been since 2001. That means we're at the mercy of the State and their grueling inspections and supervision. Is it a headache? You're dang right it is. It's a bigger headache than I ever imagined. In my opinion, that industry is over regulated, but at the same time, they're doing it for the right reason: to protect the children. You have to keep in mind most child care providers are not a multi-million dollar, award winning health, fitness and sports complex that operates where their primary goal is to overcome the childhood obesity epidemic by creating healthy habits that last a lifetime. However, it really makes us a better provider of services. What Amy and her team have done and accomplished in our school is incredible.

Norm, let me make this comment before we move on. For the past twenty years, we have been inundated with concerns over childhood obesity. Yet very little has transpired to actually impact this epidemic. That's a deal breaker for Marsha and me. We are parents of four wonderful children that have grown up at the Sportsplex and benefitted as Amy explained. Marsha and I are committed to the health and welfare of our four thousand plus child members and the children in our community. We will not stop until Texarkana is the healthiest place to raise a family. I implore everyone to work with children and parents. It's the only way we're going to reverse the obesity healthcare crisis.

C.I. - Mike, you're an anomaly! No offense, but what you guys are doing is totally what I wrote for Question #4: 'This is exciting,



Members and Guests With Mike Minton at SBA Event

pioneering work in the health and sports club industry.' That's an understatement!

MM - Thanks Norm. Marsha and I are just trying to address the childhood obesity challenges that face us here in our hometown. Furthermore, from a business standpoint we were adversely impacted by unfair competition (non-tax paying). Everyone wanted the new fitness consumer (baby boomers). In an effort to differentiate ourselves and survive, we chose to embrace the family: parents and children alike. We started carving out our niche. Had we not initiated our mission to expand from a traditional adult fitness to a multi-purpose, parent-friendly family operation, we wouldn't be here 25 years and counting. We believe our business success and relatively low attrition is a direct result of that decision. Furthermore, working with the children is so gratifying and rewarding. We've found in working with children, when a parent puts his child in your care, you can keep that child for about a 10-year duration if the family doesn't relocate. So when we look at a child that comes into our program, we are looking at \$100,000 a head.

Small Business Administration's 100 Award

C.I. - Mike, congratulations on the Small Business Administration (SBA) 100 Award for Minton's Sportsplex! Please tell us about your original and ongoing involvement with the SBA and how that originally developed and progressed.

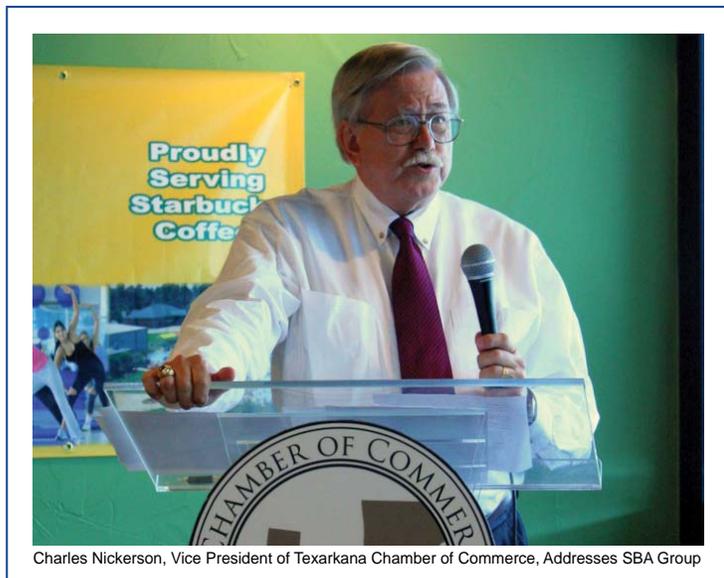
MM - Norm, my background before inheriting the fitness center was in economic development. I worked with the SBA for many years in securing financing in Pennsylvania, and then here in East Texas. If a business needed to expand and needed financing, I packaged the SBA financing and other non-conventional resources for them. So, I had an elbow-to-elbow working relationship with the SBA going back decades. That's how

I became very aware and astute of the various incentives and programs they have to offer. Over the years, I also sat on the SBA's Advisory Council. That is a volunteer role in which I gave advice to businesses that needed help. If they were struggling with their business, it could be because of a number of possible problems. When I inherited the fitness center back in 1987, I utilized the knowledge I learned from SBA in every facet for our operation. I attribute my business success to SBA. During the early years when cash flow, expense and debt management were our biggest challenges, we utilized SBA's technical support. That assistance enabled us to hang on and expand the first time. In 1993 we secured our first SBA loan for the Sportsplex. We moved from the I-30 strip center to our new current suburban location. We borrowed \$360,000 to acquire land and build an initial building, which is now part of our child and youth center. As a result we created 24 new jobs and paid off that loan. In 2008-2009 we secured \$7.5 million in financing using SBA 504 loan program piggybacked with a rural development loan to build and equip our new facility. The low-interest, long-term fixed rate financing provided by the SBA has also substantially attributed to our success.

C.I. - Why did the SBA choose the Sportsplex?
MM - For a number of reasons:

- In 1984, I founded the Ark-Tex Regional Development Company, a certified SBA 504 loan company;
- We have created over 200 jobs;
- Generated millions of dollars in tax revenue;
- Longevity of business, 25 years and counting;
- Adjusted to competition and market demand;
- Diversification;
- Past relationships with SBA and financial partners;

(See *Minton's Sportsplex* Page 14)



Charles Nickerson, Vice President of Texarkana Chamber of Commerce, Addresses SBA Group

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...Minton's Sportsplex

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- Utilized multiple economic incentives;
- Addressed National objective of child-hood obesity;
- I was previously honored with SBA's 'Small Business Person of the Year' Award;
- Minton's 9,500 members;
- Retention of 73% of our customer base for the past three years.

C.I. - A little over ten years ago, in July of 2001, your club was fifteen years old. Mike, I'm pleased to be producing this 2nd cover story as it should help you celebrate your 25th Anniversary. When you started in that defunct 3,500 square-foot gym a quarter century ago, did you in your wildest dreams imagine that you would have a 70,000 square-foot club business like you do today?

MM - The answer is NO, Norm! Who

wanted big debt, big utilities and big payroll, etc... But, as the business climate changed we started our family sportsplex journey. Our vision some twenty plus years ago is still a Minton's Sportsplex vision in 2011; "Improving Texarkana's health and quality of life, one person, one family, one business at a time".

C.I. - Why haven't you expanded into more clubs?

MM - I was influenced years ago by a dear friend of ours, Jim Bottin, the owner of ABC Financial. You know Jim owned a club here in Texarkana, and Jim tells people that I ran him out of business. But, I don't feel that way. He is one of the best businessmen I've ever met in my life. I went to Jim for advice. Jim, at one point, had 16 clubs from Little Rock, Arkansas to Denton, Texas. I sat down with Jim early on and asked him, "What's the difference in having one club verses multiple

sites? Do you need more than one club to be successful? With just one club, maybe I'm too close to the forest to see the trees. Maybe I need to get out and have 5, 6, 7 or 8 clubs. Jim, can you give me your advice about this?" Jim looked at me and said, "Mike, you know how many problems you have with that one club? Well, multiply that times 15 or 16!" That helped me a lot. Norm, our vision was to focus our resources and develop the best and most unique Sportsplex of its kind anywhere. In doing so, we wanted to positively impact our hometown and be an asset to our community. We wanted to make Texarkana a better place than it was before we came into business, and when we are gone we hope Minton's Sportsplex continues to meet our community's needs. We have had great club owners by the names of Red Lerille, Ron and Sandy Franco and Jim Harrell who were mentors of ours. They had winning examples that we tried to emulate, and Norm, we're not done doing what we need to do in Texarkana. We don't want to dilute our energy and resources at this point, when we don't feel we've finished our mission here in Texarkana.

C.I. - Also, ten years ago, you had vanquished *all* commercial for-profit health club competition in your Texarkana, Texas/Arkansas market of 60,000. That's a pretty nice situation to have... ZERO For-Profit competition in your market. However, I know that didn't continue because three summers ago when I visited you for a second time, an Anytime Fitness had recently opened across the street about 500 yards from your club. What other new competition have you seen arrive in your market in the past ten years?

MM - Well, quite a bit, Norm. We've got competition and we've always had competition. In a small town where your largest employers (hospitals and community colleges) open a big for-profit facility and offer it to the public, they rule. Although for many years clubs have come and gone, I'm seeing much more competition today. We have seen several Anytime's, Curves, gyms and another larger one going to open in several months. I believe in a small market like Texarkana, everybody takes a little piece of the pie. So, with that being said, has it kept us from growing? No, it hasn't. You're going to have more competition. As time goes on, you're going to have savvy and better-capitalized competition. One of the reasons Marsha and I borrowed all the money and built this beautiful new facility was that we didn't want to leave our back door vulnerable to outside players.

C.I. - Mike, I know you've been a longtime IHRSA Member and supporter. With this statement, I want to communicate with IHRSA and nominate Minton's Sportsplex for IHRSA's 2012 Annual Community Service Award that will be given at IHRSA31 in Los Angeles. So that everyone knows the magnitude of your club's community service involvement, Mike, I've shared in a **Sidebar** on **This Page** the long list of community service thrusts that Minton's Sportsplex has initiated and participated in over all these years along with the list of Awards Minton's Sportsplex has received.

M.M. - Well, Thank You, Norm!

C.I. - As a 25-year industry veteran Mike, please share any words of wisdom with our readers that you might be able to provide that will help them improve their clubs and become more competitive over the long haul. Any advice you might give here will, I'm sure, be appreciated by our readers.

MM - First, you have to understand that approximately 15% of the American population will consider, let alone adhere, to a fit lifestyle.

- Identify your niche in the market place and fill it.
- Give more to your community than you take.
- Our industry serves a small amount of the American population (less than 20%).
- Embrace technology.
- Understand the physical challenges of running a business that is open over 100 hours per week.
- Understand the accounts receivable nature of this industry.
- Select a great software and management partner (like ABC Financial).
- Understand and learn industry customer attrition percentages.
- Opening a facility is easy; developing personnel and systems of operation is a day-to-day challenge that never ends.
- In addition to operating expenses, set up a monthly cash reserve account to replace and add new programs and equipment.
- To be successful in this business, you need to recapitalize throughout the business journey.
- Develop relationships with your customers/members.

• • •

In closing this terrific cover story with Mike Minton, I'd be falling short if I didn't invite our readers to view Minton's Sportsplex's terrific club via their new website, www.mintonssportsplex.com, built by CatesFit Media, my son, Justin Cates' side company! There, you will learn and see much more about Mike's fantastic operation.

Mike Minton has spent the past 25 years of his life building a club business that now has risen to be one of the top and most unique and market differentiated clubs in America... bar none. To close this story, I'll say essentially the same thing I said ten years ago, and that is, if you ever travel anywhere near Texarkana, Texas, you should call Mike Minton and make arrangements to drop by for a visit at his Sportsplex. You will need about one hour for a complete tour because there is a lot to see. **CLUB INSIDER** is honored to share this great industry story with you all. I'd like to thank Mike Minton, Amy Cornish and Charlotte Hartwell for their kind assistance producing this story.

(Norm Cates, Jr. is a 37-year veteran of the health, racquet and sportsclub industry. Cates was the Founder and is now about to finish his 18th year, as Publisher of **CLUB INSIDER**. Cates was IHRSA's 1st President, and a Co-founder of the Association with Rick Caro and five others, in 1981. Cates may be reached by phone at 770-850-8506 or email at Norm@clubinsideronline.com)

Community Involvement and Awards

Minton's Sportsplex Community and Civic Involvement:

- Special Olympics;
- American Cancer Society;
- Relay for Life;
- Race for the Cure;
- March of Dimes;
- Full Fill a Dream;
- American Diabetes;
- Habitat for Humanities;
- Toys for Tots;
- Easter Seals;
- Temple Memorial Rehabilitation Hospital;
- Harvest Texarkana;
- Junior League of Texarkana;
- Texarkana Rotary.

Other Efforts:

- In 2001, Minton's started free Aquatics Therapy Program for handicapped and economically deprived children through the Easter Seals Charity;
- Minton's donated \$100,000 in fitness equipment to area school districts to help put fitness in their athletic facilities;
- Minton's annually donates \$25,000 to all four local school districts;
- In 2008, Minton's set up a \$1,000 annual Scholarship to be given out at all local schools to the person that demonstrates an exemplary fit lifestyle and pursues a fitness related degree in college.

Awards:

- **1986** - Nominated East Texan of the Year-Texas Chamber of Commerce;
- **2001** - Minton's Sportsplex was honored to be the Cover Story for **CLUB INSIDER**;
- **2002** - Awarded by the U.S. SBA *Small Business of the Year*;
- **2002** - U.S. SBA 'Small Business Person of the Year'-SBA Dallas Region;
- **2004** - Featured article in *Club Business International Magazine*;
- **2005-2007** - *Four States Living Magazine* awarded Minton's Sportsplex as Best Exercise Facility and Best Child Friendly Employer;
- **2006** - Awarded *Phantom Couple of the Year* at the Phantom Ball event Charity (for handicapped and economically deprived children);
- **2006** - *Time Magazine* featured Minton's Sportsplex with Former Governor of Arkansas, Mike Huckabee;
- **2007** - *Business of the Year Award*, Texas Small Business Partner in Education;
- **2007** - Co recipient for Carol M. White Physical Education Grant. 1.2 Million dollars went to providing Physical Education opportunities on and off the School premises for Texarkana, Arkansas Independent School District;
- **2009** - Expanded facility to meet the needs for Texas A&M students.

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How to Find and Keep a Team That's Dedicated to Your Club's Success

By: Donna Krech

An astounding number of club leaders are lamenting the fact that it's getting tougher and tougher to "find good help these days." That situation can turn like a speedboat, though, when you know the secrets to getting and keeping a great team. You can find and keep maximum producers who care about the business' success as much as you do, and there are easy-to-apply secrets that will result in your facility housing the best team in town! The really great news is that these techniques are proven. We use them in our club every day, we teach them all over the world and they work there too. So, they will work for you, too.

In this article, we'll cover three unconventional, yet proven, places to find maximum producers, two surefire keys to attracting and inspiring them and 83 tools and techniques to keep them.

1. The days of newspaper help wanted ads are long gone. Even Craigslist, as new as it is, doesn't find people that are a perfect fit for your team. Referral bonuses can be good if you have the right "referrer." The best way to find maximum producers, though, is by being on the lookout everywhere you go for people who display the following three passionate behaviors:

A. Find those who get fired up about winning. When you're at any local sporting event, look for fired up people who like to compete and win. They'll reveal themselves. They may be parents or family to a player or just be a passionate fan, but these folks like winning and when there's recognition for winning, they'll step up! Sandy is now one of the KEY leaders in our organization. She'd excelled at every sport she's ever played. She's always loved winning. She migrated up through the ranks of our company so fast it made our head spin, and she's been a mega-producer every step of the way!

B. Find those who love, love, LOVE what they do! With any charity, church or civic organization, there are those who function in the top 10%. There's passion on display again. Because they love people and/or so believe in the cause, they invest more time, energy and/or financial resources. Remember, it's passion you're looking for. Passionate people are contagious people and to be contagious means to affect another!

C. Find those who are already in a

business that provides super service with an upsell. They may be a hair dresser, a nail tech, in auto or insurance sales or you may find them working at an athletic shoe store in the mall. In any of these cases, watch for those who do what they do with gusto, and at the same time, encourage their buyer to purchase the add-on. These people know what it means to be on commission, and they've been trained to sell and upsell. For example, The Finish Line sports shoes and apparel stores reward team members when they sell three things to a customer. So, they all work to sell three things to each customer.

Okay, so you've spotted them. Now, how do you get them interested in your club?

2. Two keys to attracting them are:

A. Live your purpose in life. When you live your purpose in life, you become magnetic. We've been discussing purpose in this training series, and when you're looking to hire people who will attract more people to your club, those who match your purpose are the best fit. Our purpose is "To live as whole and fully alive people so each life we touch is aware of and experiencing the things in life that matter, achieving goals and becoming all they were created to be." We're quite passionate about our purpose, and it shows. We live it, and others see it. Ask yourself, "Am I who I am because of what I do, or do I do what I do because of who I am?" When you do what you do because of who you are, you are that all the time. Simply live that purpose and people will be drawn to you.

B. Always be marketing your opportunity. If you're looking for great team members, always be looking. Always be ready with invites, positive notes, and for heaven's sake, at least your business cards! When we come across someone who matches us, we let them know. We leave a note that says how much we love what we

do and that we believe they'd match our company perfectly. We simply tell them to give us a call if they're interested. By the way, they're almost always interested!

3. 83 Motivational Tools and Techniques for Keeping them Fired Up

Here are five very powerful tools and information on how to obtain a free training video, mp3 or PDF with the rest of the 83 motivational tools and techniques:

A. Newspaper mentions are free! Simply submit any and all achievements by your team as they occur. They'll often be in the paper, and you'll have a team member who feels proud to be with your facility.

B. Each morning, our team holds a standup meeting where you stand during the meeting so it won't take long. We go over where we are towards our goal, each person tells what they're going to do for the business today and we close. This is the feedback and communication tool that keeps everyone on the same page. The feeling of being "In" on things keeps everyone happy.

C. Give bonuses of time to your high achievers. Everyone wants more time to do the stuff that matters to him and his family. So, give a Thank You note expressing your appreciation for what he did, and in that note, give him a surprise long weekend or a special day off when you know a specific upcoming date, such as his Wedding Anniversary or Birthday, is important to them. The time off is awesome, but the fact that you gave it to him spontaneously makes him really notice.

D. Develop and grow your people. Take them to seminars and training events so they can develop personally and professionally. Even consider rewarding them for attending. The people who practice personal growth are the most



Donna Krech

productive.

E. Acknowledge what's important to them. Get their kids a gift or send them to a night away with their mate or send them to a show they've been talking about. You get the idea. They'll appreciate the gift, but even more, they'll appreciate that you paid attention to what matters to them.

The loyalty and production that comes from just these five motivational tools can be immeasurable. Make them a regular part of how you do business. You really can build the most productive team you've ever had by being on the lookout for competitors and winners being their magnetic selves and realizing that people stay where they're noticed and appreciated.

Email info@thinandhealthy.com, and we'll send the rest of the 83 motivational tools and techniques to you!

(Donna Krech is the founder and owner of Thin&Healthy's Total Solution. She's the go-to expert for marketing and selling to the non-traditional member. Donna may be reached at donna@donnakrech.com)

Make It Fun!

advice, etc.

Fitness Will Bring You Some - Weight Loss Will Bring You Many

LISA GOUGH,

If you want to be in a business that is guaranteed to be profitable, it is weight loss, not fitness. Fitness will bring you some but weight loss will bring you many. There is a bigger need in weight loss. I wouldn't drag my feet. This is catching on and it really does work.

I opened my club 10 years ago after personal training and giving nutritional counseling for two years out of my home. I realized what I did for people was excellent, but I wasn't reaching enough people.

While laid up following a total knee replacement, I received a marketing booklet from Thin&Healthy's Total Solution saying, "We're grand opening in a facility in your town," and I thought, "No you're not because I'm the facility in our town and none of my competitors are going to have this!"

I read the marketing materials and became very intrigued but I was also extremely skeptical. I have been in the industry for years and have fallen for a couple of marketing gimmicks, so I was very guarded but still called to find out more. Once I looked at this from all sides, I realized it was what I had been wanting all my life - something on a big scale that was balanced, reasonable, and doable and that would help inspire everybody to make lifestyle changes and become healthier, more fit people.

Thin&Healthy's Total Solution is something that should be available everywhere.

It's such an outstanding program that speaks for itself. Because of all the support, help and training we

have received, it really has been a turn-key system. Nobody had to recreate the wheel to get this done. To set any system in place, you just have to learn it. There is a learning curve but once you get going and start plugging the systems in, it just works.

While still in pre-sale mode, we've upgraded 63 people off our floor. Thin&Healthy's Total Solution has brought me a lot! Currently, my gym dues are \$29 per month on a 12-month membership with a \$75 enrollment fee. With Thin&Healthy's Total Solution, we're collecting \$99 enrollment with dues at \$79 per month for 12 months and \$59 for a 24-month membership. Had we not done some renovations in the club to maximize the potential of our Thin&Healthy's Total Solution center, we would have tripled our income in just two months' time. So to say I am extremely excited about where we are is an understatement. I know when we go into grand opening and we're more widely known, we will be very profitable.

After adding Thin&Healthy, our atmosphere changed right away. People really enjoy their coaching and they are seeing results. One member has been taken off blood pressure and diabetes meds completely (which saves him \$84/mo) after losing 24 lbs! His doctor (who specializes in diabetes) is a member of our club and came to me about our program. I explained everything to him and he shared that he'd been asking the hospital to put something like this in for

years but they just turned him away. His words were, "I want to partner with you somehow. The program really works!"

I have another member who's been on the program for 6 weeks now who is a cancer patient. Her oncologist said to her, "I know of this program. Sloan Kettering studied the Thin&Healthy program and a couple of other diet programs out there and deemed the Thin&Healthy program medically necessary." This information went out in a medical journal, so doctors in the US and Canada know of Thin&Healthy because of that study.

Right now wellness is where it's at and it is the weight-loss industry that's making the money and there is good reason for that. We are the fattest nation on the planet, and because of our culture and the way things are going in the health-care industry, I believe it's all happening that way on purpose because there is big money in disease. But there is money in health too!

The people who need us the most need something they can do that is reasonable, that they can live with, and that is affordable. If you want to be in a business that is guaranteed to be profitable, it is weight loss, not fitness. Fitness will bring you some; weight loss will bring you many. There is a bigger need in weight loss. I wouldn't drag my feet if I were you. This is catching on and it really does work. X



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“Joining Forces” With the Military Builds Relationships and Business

By: Bonnie Pfister

As a club owner, I'm always looking for unique ways to get our name out there. Frankly, I get tired of trying to come up with specials and advertisements to pull people in. After eleven years in the business, coming up with the next great special can get old quick if that is all you're relying on.

Although I do all the marketing for the club, sales has never been my thing. So, my weakness has driven me to be a bit more creative with my marketing. My passion has always been public relations and getting involved with the community. That's why I was elated to hear about *Joining Forces*, a fantastic program supporting our military.

In the spirit of Michelle Obama's *Let's Move* campaign, *Joining Forces* is an initiative created by the White House to encourage people to support the military. The American Council on Exercise (ACE) is facilitating the fitness component of *Joining Forces*, asking fitness professionals and partnering organizations to “join forces” and pledge a combined total of one million fitness service hours at no cost to actively deployed National Guard Reservists and their immediate families.

You can pledge membership time or fitness services including consultations, seats in group classes, equipment, DVDs and personal training by the hour. Once you've made your pledge, military families can find your pledge with a zip code search and learn more about your business participants in their area.

We are proud to say Florida is currently leading the nation in *Joining Forces* support with generous pledges from Merritt Athletic Club, Frank G Berlin YMCA, the Sarasota YMCA and our club, Max Fitness in Vero Beach. “Other notable donations have come from Baylor Tom Landry Fitness Center in Texas, Clarendon Health System in South Carolina, Ultimate Bootcamp in Massachusetts and hundreds of fitness professionals across the nation,” reports **Rae Anne Deakins**, ACE's Director of Consumer Marketing. “Pledges have reached 90,000 pledged hours, a great start but a long way from the 1 million hour goal,” she explains.

We, as fitness professionals, get to give something of great value to military families with little out-of-pocket expense to us. Think about how excited military wives are when they hear their husband is coming home. Then, it hits them they need to “get ready” for their return. Whether they

just want to tighten up or lose pregnancy fat, we as fitness professionals, can become part of their special reunion.

The reward is two-fold. You get a great opportunity for local press coverage, while the program feeds your business solid leads. If you provide the individuals who come in with appropriate, results-producing service, it's very likely that you'll gain a lasting member.

Here are ten tips to making the most of your participation in *Joining Forces*:

1. Announce your support to your current members. Send out an e-newsletter announcing your pledge. Members enjoy knowing their club supports worthy causes and is helping people in their local community.

2. Blast your support across social media. Don't be shy! Don't just tell your local community, but let the entire world know what you and your club is doing. Not only will your social media contacts reach out to people outside of your membership base, it will also encourage people in other areas to get involved, helping *Joining Forces* to reach their goal of one million fitness service hours.

3. Send out a press release. Let your local media contacts know about what you are doing for the community. *Joining Forces* makes it easy for you by providing a press release template to follow, available on their website.

4. Get your members involved. Make this project personal and raise awareness of just how many military families you currently already serve. For instance, we have various military flags hanging in our gym and took photos of members standing in front of their respective flag.

5. Utilize the *Joining Forces* marketing tool kit. When a fitness professional, business or organization pledges to support *Joining Forces*, they're given immediate access to on and offline tools to inform their colleagues and community about this important initiative, including templates for web pages, emails, press releases, online banner images, social media badges and more. Utilize these valuable resources to help spread the word and educate people about the program.

6. Create a pledge event. Design a contest, have an open house or lead a special event like an aerobathon to boost pledges.



Bonnie and Steve Pfister

Commit to pledging one hour of fitness services per guest, or per class taken, that particular day.

7. Reward members individually by pledging in their name. Everyone likes to be recognized. Commit to pledging one hour per new member referral, or particular purchase, so your members can personally boost pledges, too.

8. Recognize new military members. If your new military families are comfortable being recognized, create a bulletin board where you can post a family photo or military photo of their loved one. Not only will this personalize our effort to make a difference, it will help them receive the warmest welcome possible as people begin to recognize new faces from the photographs.

9. Recruit your new military families to help spread the word. Give your new military members referral cards or flyers to

give to their military contacts and friends. Although military families will be notified of this service, this personal contact will be even more effective.

10. Create a Pledge Thermometer. Let your members see your running number of pledged hours using a visual aid like a graph or thermometer to build excitement and help drive more pledges.

For more information, please go to www.acefitness.org/joiningforces.

For media inquiries please contact:

Sandra Fine, APR
 355 Alhambra Circle, Suite 800
 Coral Gables, FL 33134

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Courtney Hines	Text Message	Other	Today	Incoming Leads	Today	Today's Call
Simon Walker	Text Message	Other	Today	Incoming Leads	Today	Today's Call
Frank Elias	Text Message	Other	Today	Incoming Leads	Today	Today's Call
Don Albano	Text Message	Other	Today	Incoming Leads	Today	Today's Call
Warren Webb	Text Message	Other	Today	Incoming Leads	Today	Today's Call
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Membership & Business
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iGo Figure Membership & Business Management Software Integrates with Harlands Group and SEPA Standards in the EU

HOUSTON, TX - The iGo Figure Membership & Business Management Software is now integrated with the European Union's SEPA (Single Euro Payment Area) standards through its partnership with Harlands Group. This makes it possible for health club owners throughout the EU to process one-time and monthly payments directly from within the

iGo Figure Software. Payments are now processed electronically, and there won't be the need for a visit to the bank to process direct debit payments. While automated debit transactions have been available for customers in the United States for several years, banking systems were only recently put into place in the EU to make this possible.

Harlands Group is one of the

first payment processing organizations in the EU to implement the SEPA standards. SEPA is currently defined as consisting of the 27 EU member states plus Iceland, Norway, Liechtenstein, Switzerland and Monaco. In SEPA, bank customers can make electronic euro payments within and across 32 countries under the same basic rights and obligations.



Seasoned Veteran Chuck Leve Enhances Fitness Industry Offering at Brand Activation Agency... Involve

COLUMBUS, OH - Involve, a Columbus, Ohio-based brand activation agency with extensive experience inside of fitness, health and wellness, is deepening its knowledge coffers with its recent appointment of Charles (Chuck) Leve to director of the fitness and active lifestyle practice.

Leve, an industry expert, is renowned for growing, building and developing sports and fitness associations and organizations. He brings more than 40 years of experience in the fitness industry giving Involve a unique advantage in servicing brands across this dynamic category. He will be

based in Chicago, where Involve owns Involve Media, its media buying arm. He will be responsible for providing strategic direction within the fitness, wellness and active lifestyle categories as well as new business development.

"I am honored and excited to add Chuck to our team. I have spent many years activating brands inside the health, fitness and sports categories and have watched first-hand the impact he has had on the industry," said Craig Lerner, Founder and President, Involve.

"Involve is about activating brands to reach beyond awareness and

connect with consumers. Brands connect when they can get into the mindset and lifestyle of those they serve. Chuck's contribution to the Involve team will expand our ability to help fitness product manufacturers, health club chains and consumer brands do just that because he lives and breathes the fitness and wellness category, consumer and lifestyle."

Prior to joining Involve, Leve was performing high-level consulting projects within the industry, including playing a major role in the creation of AFIRM, the Association of Fitness Industry Retailers and Manufacturers. He spent 27 years at

IHRSA (International Health, Racquet and Sportsclub Association) and was that organization's first employee, and at various times, was responsible for association management, membership marketing, publication development, advertising sales, trade show and convention management, sponsorship sales and promotions from both inside and outside the industry. While at IHRSA, he was credited with building its four largest revenue sources that, at one point, generated nearly 70% of the organization's annual revenue.



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Behaviors of the Best Health Club Salespeople

By: Jim Thomas

I have had the opportunity to witness many different health club salespeople in many different situations, and I have seen some common habits and traits that, over and over, will define the best salespeople in the health club industry. Many times, it's these small differences that separate the winners from the losers in the fitness business. Here is what I have seen (Let us hear your thoughts):

1. Winning Attitude. It all starts with you. If your attitude is not right, your prospect will not respond in the way you want him to. Your attitude determines everything. Your attitude decides your altitude.

2. Plan of action. The great ones all have a plan on how they want to get things done. No flying by the seat of their pants. They have studied their training materials and practiced (over and over) their tour and membership presentation until it's nearly second nature. They know and participate in their product.

3. They keep their pipeline full. They

are good at prospecting, and they have a strategy for lead generation and making appointments. The top health club salespeople have learned to embrace and enjoy prospecting. They don't simply wait for the next walk-in.

4. They bring prospects up to their level of enthusiasm. What I mean by enthusiasm is passion, conviction and belief. They develop rapport with club prospects by asking questions and by using their voice, their gestures and their posture when interacting with a health club guest.

5. They use a Needs Analysis and qualify their prospect. They find out exactly what the goals of the prospect are and why they are important to him. They also work to remove any obstacles that might prevent someone from joining the club. They are friendly, they respect the prospect's time and they don't waste their time on things that aren't productive.

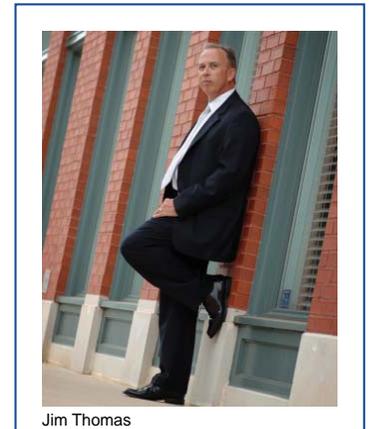
6. They have integrity. This should be pretty straightforward. It means they are honest and trustworthy. They do what they say and people believe and trust them.

7. They create desire. By understanding why their goals are important to them, they make prospects hungry for what they have to say and to join the health club. They find out what prospects' hot spots are, and they take them on an emotional journey, which results in the membership sale.

8. They understand and use a strategy to close the sale. They have sales techniques they use that involve questions based on the prospect's needs and desires. They offer the prospect a simple choice at point of sale and avoid confusion.

9. They make it important to the prospect. Prospects will do whatever is important to them. The great sales reps make it this important. Prospects will only buy if they can justify doing it in their mind. The top health club salespeople give the prospect plenty of reasons to justify making the decision to buy.

10. They start a relationship. They don't simply look at it as making a sale, they look at it as starting a new relationship. They build friends and relationships, and they get repeat business and renewals. They



Jim Thomas

also get referrals to create new business for the health club.

Now, go take **action!**

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

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Sean Smith

Former 24 Hour Fitness Executive Named COO of Med-Fit Systems, Inc.

INDEPENDENCE, VA - Med-Fit Systems, Inc., manufacturer of Nautilus commercial products, announced that Sean Smith, former 24 Hour Fitness executive will serve as Chief Operating Officer of Med-Fit Systems, Inc.

Smith, 44, will be responsible for the strategic and operational leadership of Med-Fit's finance, IT, purchasing, manufacturing, logistics, certification and compliance as well as facilities and legal. Smith will report directly to CEO, Dean Sbragia.

Smith most recently served as Senior Director at 24 Hour Fitness, a fitness club chain with over \$1 billion in annual revenue. While at 24 Hour Fitness, Smith delivered \$335 million in savings due to operational improvements over a 10-year period, while implementing a procurement process that produced annual savings in excess of \$33 million.

Before that, Smith spent five years as the Systems and Operations Planning Manager for Toyota Motor Sales, USA. He spent significant time training in Japan and then implementing and teaching their continuous improvement process (Kaizen) and JIT (Just in Time) methods to North American operations. He achieved the highest level of Certified Kaizen Master.

"I am extremely excited to have Sean join Med-Fit's executive leadership team, where we will benefit immensely from his experience, proven track record of success and running a best-of-class operation, while implementing quality controls and value to customers. Sean is ideally suited to assist us in maximizing the facilities and personnel in our Virginia manufacturing facility," said Dean Sbragia.

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Or, stick your head back in the sand and hope your competitors don't read this and beat you to the punch!



The S.I.M.P.L.E. Approach to Employee Loyalty

By: Jeffrey Keller

Probably the most popular topic these days in the club industry is retention. Member turnover is the ultimate demise of any club. Even if we sell a ton of memberships, we get nowhere if we lose a ton of memberships. Every Owner and General Manager knows this, but creating endless member retention programs won't solve the problem if the issue isn't with members. With the economy the way it is, budget cuts and micromanagement, the problem currently is with our employees, and more specifically, the relationships between Owners/General Managers and employees.

Owners and General Managers are overlooking a powerful influence on the success of their clubs. They are overlooking the atmosphere they've created in their clubs because of their relationships. The Ipsos Loyalty Study, completed in 2009, and the largest study of its kind, demonstrated that only 30% of U.S. employees are loyal to their company and 25% think their employer has earned their loyalty. That means that there is an estimated 75% chance that an employee is going to jump ship when the next great thing comes along. It also means that 75% of a club's staff are merely punching the clock and aren't 100% committed to achieving goals unless it directly benefits them. All of this is a result of the deteriorated relationships among staff, from the top to the bottom.

After reading the above paragraph, many Owners and General Managers are saying, "I'm paying them for a job. If they don't like me or my way, they can leave." This is incredibly shortsighted. Research using the American Customer Satisfaction Index has shown that reducing the staff size ultimately leads to a tumbling customer satisfaction, and in an industry such as the club industry, which is dependent on service, decreased revenues. Additionally, it has been estimated that in positions that require a lot of in-house training, the loss of an employee can be in excess of 150% of their total compensation, when wages, commissions, bonuses and benefits, plus indirect costs, such as new hire training and lost productivity, are taken into account. This could add up to thousands of dollars, and an Owner wouldn't even know it. Add it up and see what losing a key employee will cost your club. And, this doesn't take into account the problems created with the staff that remain: poor morale because they saw what happened (or think they did), absenteeism and lower productivity because of apathy and deteriorated image presented to the member. With all this in mind, Owners and General Managers should make it a priority to never lose an

employee for reasons other than those that are positive.

The S.I.M.P.L.E. Approach

Creating great relationships, and ultimately, a great culture in your club is *simple*, hence the name: The S.I.M.P.L.E. Approach. It can be broken down into six steps. It doesn't require any real investment other than an Owner's or General Manager's time.

Survey your employees for strong and weak relationships. Be honest with yourself. Assess which of your employees have a good relationship with you and which ones don't. If you have to, ask them.

Implement a prioritization of the relationships you've surveyed. This is nothing more than a ranking of those relationships so that you know which ones are important to your club's success and those that aren't. This ranking may flex from time to time depending upon the current goals and objectives. For example, you may currently be running a membership campaign, so your relationship with your Membership Sales Director is a priority.

Monitor priority relationships that are weak. This isn't to say that you should ignore those employees who you already have good relationships with, but you want to attend to those employees who have a high priority ranking and don't have the best relationship with you.

Place blame on yourself, but recognize

excellence. When evaluating relationships, automatically assume it was something you did. The tendency is to assume the employee failed, but the reality of most situations is that you failed at some point in the process of achieving the expectation. Conversely, always share the limelight, even if you were the predominate force behind the success, and if the employee was the primary reason for the success, make sure his or her excellence is known.

Learn about what is important to those who you have a relationship with. Different things make people happy. Some want the public accolades and nothing more. Some want something more tangible. The long and the short of it is that whatever you use as a re-enforcement has to be individualized, and you won't know what it is unless you ask. The act of getting to know your employees on this level shows you care about their lives outside of work.

Evaluate yourself constantly. This is typically the most difficult part. Just like with surveying your relationships, it requires a lot of honesty. However, unlike with surveying, you may think you're doing a great job developing the relationship, but our egos tend to cloud our judgment. Be as objective as possible.

There are plenty of leadership books out there that describe this process in different ways. Suffice it to say, Owners and General Managers pay a lot of lip service to the notion that their employees are their most valuable asset. The problem is that very few of them back that notion



Jeffrey Keller

up with visible actions which employees experience as "My boss cares about me." You don't have to throw a lavish end of the year party. You don't have to give big bonuses every year. But, what you do have to do is communicate that you care that they have goals, dreams and ambitions. Do this and you will have created the greatest member retention program you could ever devise and your profits will soar.

Note: Any ideas or programs for expressing you care about your employees can be posted on the Independent Health Club Networking Association Discussion Group on LinkedIn. Share how you bond with your employees and learn how others bond with theirs.

(Jeffrey Keller is a veteran club General Manager and currently may be reached at jeffrey_keller@msn.com)

Karen Woodard Announces New Club Excellence Training Program

BOULDER, CO - We all have a number of super star staff that intuitively understand and can even deliver what we, as a business, strive to achieve. We also have a number of staff who don't seem to get it at all and unfortunately detract from what we strive to achieve.

Have you struggled with creating a consistent brand behavior among all staff that results in a consistent representation of your business to members, guests and the community?

Have you struggled with getting your "C" staff to become "B" staff and your "B" staff to become "A" staff?

Have you struggled with how to create a common unifying base of knowledge among the entire staff?

Now, you can create a unifying base of knowledge for your current, as well as any new, staff presented in a compelling and effective format that will create a consistent delivery of your club's goals.

Introducing Karen Woodard's Club Excellence Training Program

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Karen Woodard-Chavez

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Programming Tip of the Month:

Another New Beginning

By: Sandy Coffman

I can't emphasize enough how important the Fall season is to your programming calendar. It's the best time of the year to offer *new beginnings* to your existing members and your new members alike. Court-sport programs are sure to excite your new members and rejuvenate your existing members. It's time to revisit and reinvent your racquetball courts, gyms or group exercise rooms with some new ideas and activities.

Many of the court-sports programs are interchangeable between racquetball, tennis, volleyball, wallyball and squash. Some of the programs presented in *Successful Programs for Fitness and Health Clubs: 101 Profitable Ideas* are written for racquetball but will work just as well with tennis, squash or other court sports. All the programs presented for court sports include introductory programs

for the beginning players and follow-up programs to include intermediate and advanced players. The implementation of these programs will ensure retention of players as well as growth of new participants, and ultimately, new members.

Important Note: Consider offering a court-sports program to non-members as a promotional tool. You're sure to get many new members!

Although programs in court sports may seem specific to the recreational sports, many of the basic programming concepts should be adapted to programs in the fitness center or group exercise studio as well. The introductory programs, for example, will include many of the same features as the introductory programs for core cardio events in the fitness center, and the league programs will provide many of the same qualities found in circuit training

or group exercise classes. You will also note that the court sports programs all fall into one of the stages of the wheel of logical progression (Part I, Chapter 1).

Court-sports programming opportunities are many and varied, going far beyond booking court time, organizing weekly leagues and holding draw tournaments. Most clubs don't take advantage of additional programming ideas that help grow your business, enhance your court-sports program and increase retention, too. Your court-sports program is probably the largest and most successful program in your club and will probably have the most retained members of any programmed area, but you have to nurture it to keep it that way. The good news is that some of these special programs are also the most fun programs for you and your members.

The calendar can dictate when you should run a party or a mixer, a round-robin event or a tournament in your court sports. Every holiday can be a celebration at your club, and your members will want to be part of every one of them. Don't miss the opportunities!

- Labor Day
- Halloween
- Thanksgiving Day
- Christmas
- New Year's Eve
- New Year's Day
- Super Bowl
- Valentine's Day
- President's Day
- Mardi Gras
- Cinco de Mayo
- St. Patrick's Day
- Easter
- Mother's Day
- Father's Day
- First Day of Summer



Sandy Coffman

- Fourth of July
- Flag Day

The court-sports programs will guarantee exciting results and will include the following:

- Introductory programs
- Lessons
- League programs
- Rating systems
- Special events
- Tournaments

You will find a complete programming structure for many court-sport programs in my book as well as promotional and tracking tools to download. Try them and offer your members and your business a new beginning.

(Sandy Coffman is the Dean of Club Programming and the author of the book Successful Programs for Fitness and Health Clubs: 101 Profitable Ideas. You can contact Sandy at slcoffman@aol.com or www.sandycoffman.com)

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Norm Cates, Jr.

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