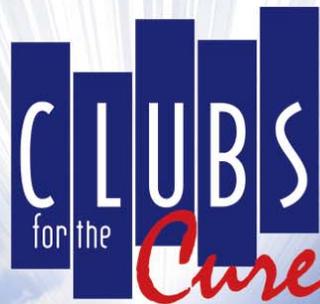


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12 Days of Fitness

Clubs for the Cure During the Holiday Season

By: Justin Cates

It is not often that we devote a cover story to an organization two years in a row. This month, however, in preparation for the coming Holiday Season, we believe the story that is about to be shared is worth the press, and more importantly, your time. It is one that is powered by generosity and led by the unbreakable human spirit. I am talking about the generous thousands within our industry, and the one and only, Augie Nieto, who has inspired so many, and will inevitably change the fate of anyone with Amyotrophic Lateral Sclerosis (ALS, also known as Lou

Gehrig's Disease), their families and countless others.

The primary machine for raising funds to battle this devastating disease is Augie's Quest. Like every machine, though, it is comprised of numerous parts acting in unison to produce results. One very successful part in particular, and the subject of this story, is the organization called Clubs for the Cure, led by Pat Laus, owner of The Atlantic Club in New Jersey. In our **April, 2008 Cover Story** (available online at www.clubinsideronline.com), written by John McCarthy, we learned about Clubs for the Cure, its humble beginnings, amazing rise to fundraising prominence and

plans for the future.

Now, the future is here, the results are in, and there is quite a new story to tell. In short, I believe you will come away from this story with a renewed sense that the human spirit is alive and well, and despite rough times for just about everyone, the gift of giving is stronger than ever, and not just during the Holiday Season. Here to tell that story better than I ever could is Pat Laus. Additionally, you will hear from Kevin McHugh and Doug Miller, as they also play very important roles in the battle against ALS. That battle is one, we as an industry, led by Augie Nieto and everyone he has (See *Clubs for the Cure* Page 10)



The Clubs for the Cure Team Plans for the Future

(L to R): Nancy Ehrola, Jamie Byrnes, Jessica Hayes, Pat Laus, Kevin McHugh, Jessica Samper, Kristin McConnell and Ellen Veprek

Gold's Gym International and Galiani Group Part Ways

Long Time Franchise Group to Spin Off New Fitness Endeavor

DALLAS, TX - November 13, 2009 - Gold's Gym International announced today that it has agreed to mutually part ways with long-time franchisees Kirk and John Galiani. The team of brothers, who helped lead Gold's Gym through one of the key phases of its evolution, will leave to start a new venture (OneLife Fitness).

"Kirk and John have been outstanding operators and have been a big part of the

long and rich history of the Gold's Gym brand," said Joel Tallman, Senior Vice President of Franchising and Global Operations. "Their passion for fitness is unparalleled, and their contributions to the Gold's Gym brand will always be remembered by the many franchisees who have had the opportunity to work with them. We have both evolved our business models, and this arrangement works out well for

both sides."

"We value our almost 20 years with the Gold's Gym family as 20 of the best years of our lives," said Kirk Galiani. "We have and always will have a strong passion for the Gold's Gym brand and everything it stands for. Leaving the Gold's Gym family was an extremely difficult and emotional decision for us, and we will miss it tremendously, but we're excited about the opportunity to start a

brand from scratch and mold it from its infancy."

The Galiani's first became Gold's Gym franchisees in 1990 and quickly grew to own and operate more than ten clubs in the Washington DC, Virginia and Maryland metro area. In 1999, they purchased Gold's Gym International along with the private equity group Brockway-Moran & Partners. During their 5-year ownership tenure, Gold's

Gym saw significant growth in its company-owned club, product licensing and franchising divisions. In 2004, they sold their interests in GGI to TRT Holdings and returned to operating clubs as Gold's Gym franchisees. Since that time, they have developed and sold several of their Gold's Gym locations, including six locations in North Carolina to the Titan Fitness Group, led by (See *OneLife Fitness* Page 6)

Inside The Insider

- Fifteen Steps to Paradise - Step 3 - By: Will Phillips
- Trust Marks - By: Derek Barton
- Cross-Program Marketing: Using Programs to Market Additional Programs and Services - By: Laurie Cingle, M.Ed
- What I Learned Visiting Your Club - Part II - By: Casey Conrad
- Five Steps to Programming Success - By: Sandy Coffman

Norm's Notes: •Happy Thanksgiving! •The Clubs for the Cure Story •Thanks To Our Veterans •CLUB INSIDER Subscriptions Now \$49! •Congratulations to Mike Dollard •Shane Franklin Still At Large •Athletic Business, Medical Fitness Association and International Council on Active Aging Meetings in December •Atlanta Good 'Ol Boys Charity Celebrates 40 years •Nautilus to Close Commercial Division December 8th if Not Sold •Take Industry Surveys With a Grain of Salt •Gold's Gym and the Galiani Brothers Part Ways •Congratulations to Al Noshirvani •Congratulations to Greg Lappin and the Remick Family •Congratulations to Club One •Defeat New Jersey Senate Bill 2164 •Congratulations to Anthony DiLuglio •IHRSA Does Not Approve ASF Standard •Welcome Back to Active XL •Great News For Expresso Fitness •Larry Domingo Joins Star Trac •Congratulations to Theo Hendriks •24 Hours Fitness Facing Dated Lawsuits

Norm's Notes

•**Hello Everybody!** This is your **CLUB INSIDER Publisher Since 1993** and **Tribal Leader** checking in at the beginning of our **17th year of publication!** Thanks to all of you who read **CLUB INSIDER**, all who **advertise** and all who are **Contributing Authors**, we're starting our 17th year of publishing this month! It has been my honor and sincere pleasure serving you, and I look forward to many more years at this keyboard, if the good Lord's willing and the creek doesn't rise! **Stay Tuned!**

•**Happy Thanksgiving** to all! I hope you enjoy this special American holiday where we pause to say "thanks" for our great country and all of our blessings. I also want you all to know how thankful we are that you read **CLUB INSIDER**. Our best wishes go to you and your family for a safe, healthy and hearty Thanksgiving Holiday!

•Is **America** a great country or what? *Hmmm... Hmmm... Hmmm!* Today, in honor of our **17th Anniversary**, I **BOW** to each of you, our dedicated readers!

•**Clubs for the Cure** is the organization that **PAT LAUS**, the owner of the amazing **Atlantic Clubs In Manasquan and Red Bank, New Jersey**, created a couple of years ago to help raise funds to fight breast cancer. Last year, Pat, assisted by **KEVIN McHUGH** and a **Volunteer Team**, comprised of Atlantic Club

staff members, adapted Clubs for the Cure to raise money for Augie's Quest. I cannot imagine how many hours Pat and Kevin and their Clubs for the Cure Team have invested in this great cause since then, but I know the number is huge. So, to try to do our part here at **CLUB INSIDER**, we have devoted our cover story this month to this great cause. Written by **JUSTIN CATES**, he will share with you the history and growth of Clubs for the Cure, and now, its implementation of the **12 Days of Fitness** program. This is our second Clubs for the Cure cover story, and we also featured Augie Nieto's book, *One Man's Journey From Success to Significance*, in October, 2007 to help Augie and Lynne with their amazing quest to find the cure to **ALS**, a/k/a **Lou Gehrig's Disease**.

The 12 Days of Fitness is a membership program created by **Sales Maker International's DOUG MILLER**. Doug has donated the program to the Clubs for the Cure, and together, they have taken it worldwide. Locally, the **Atlanta Journal Constitution** has published a two-day, front-page story about **JEREMY WILLIAMS, Head Football Coach at Greenville High School** here in Georgia, who is also suffering from ALS. He coaches and inspires his *undefeated* team from a golf cart, and his story is an amazing one. Folks, this dreaded disease could hit you or me or any of our loved ones at any moment. So, I urge you to contact the Clubs for the

Cure Team and involve your club in the 12 Days of Fitness program. This program will bring in a lot of prospective members for your club, and you'll be raising funds to help **Augie and Lynne FIND THE CURE FOR ALS!** God Bless you both, Augie and Lynne, and never forget that we all love you two, and we want to help you find the cure! And, **God Bless Pat, Kevin, Doug** and the **Clubs for the Cure Team**.

•**Veterans Day** was **November 12th**, so I gave my **Dad, NORM CATES, SR.**, who will be 92 in December, a call to thank him for his service to **America** during **World War II**. Dad was based in New Guinea and served on **B-25 Bombers** during WWII. Were it not for the grace of God, neither Dad, nor I, would be here. All Americans owe my Dad's generation a big "Thanks." If you're a veteran or have a Dad, a Brother, an Uncle or a Grandfather or a Mom, a Sister, an Aunt or a Grandmother who are veterans, please accept yourself or extend my thanks to your loved ones for their service to our great country.

•Out front this month is our **Big News** that, after 16 years, we're making a *big move* on our subscription price, cutting it from **\$89 to \$49 for 12 Printed Editions and Online Access** to over **Five Years of CLUB INSIDER Archived Editions** (Online access provides 12 new editions, plus archived editions dating back to 2005). We've made this

decision in order to increase our paid subscription volume and provide more industry folks with both our print and online editions. If you have recently subscribed or renewed, we're also going to adjust your subscription term so you are compensated fairly. So, if you are not yet a paid subscriber, please subscribe for **\$49** a year and tell your friends about our new price so we can keep **CLUB INSIDER** chugging along!

•**Congratulations** to **MIKE DOLLARD**, the owner of **The Fitness Factory** in Monticello, New York, as Mike and his team celebrated their **20th Anniversary** in August. Keep at it, Mike and Team!

•**SHANE FRANKLIN** is an ex-convict, but still a crook. He is continuing his illegal resale activities using the **Powerhouse Gym** brand name in San Diego. This guy is a menace for our industry and has left a trail of problems and defrauded people across the country, with his current nest being in San Diego. The information I've accumulated on him is amazing, totaling over 40 pages that I've received, chronicling his trail of **Club Industry Trust Busting** activities. **Google: Shane Franklin Powerhouse Gym** to get a look at this guy on a couple of TV stations in Reno, Nevada and San Diego, California. Also, I'm looking for some club owners in the San Diego area to pitch in and help me pay for some local newspaper ads warning consumers about Franklin. By teaming up, it is my hope to prevent Franklin from continuing his unlawful and illegal activities there or anywhere. If you would like to receive the Email I received, with the many reports and legal documents on Franklin, a document that lists the names of people who've been damaged, how much was stolen or extorted from them, and in general, how they have been abused by him, just send me an email at **Norm@clubinsideronline.com**, and I will forward the file to you immediately. But, be ready for a lot of reading! And, if you own a club in San Diego and want to protect the reputation of our



Norm Cates

industry in your community, email me ASAP, so we can discuss this local newspaper warning ad idea. This is tough work, but **SOMEBODY** has got to do it! I need your help, though, so if you have information on Shane Franklin, please be in touch. **Stay Tuned!**

•**PETE BROWN, Publisher of Athletic Business Magazine**, invites you to Orlando, Florida, December 3rd and 4th for his **Annual Athletic Business Conference** that will be held at the **Orange County Convention Center**. Also conducting events simultaneously are the **Medical Fitness Association (MFA)**, led by **DR. CARY WING** and the **International Council on Active Aging (ICCA)**, led by **Founder and CEO, COLIN MILNER**. For more information on these shows, visit **www.athleticbusiness.com**, **www.medicalfitnessassociation.com** and **www.icaa.org**.

•I want to take this opportunity to say **Congratulations** to my friends, **WAYNE "HARPO" PADGETT, DENNIS HOUSTON, RICH KRAEMER, BENNY MURRAY, STEVE HONEY, LEE DAUGHTERIDGE** and about fifteen others, as our group, **Good 'Ol Boys Charities**, celebrates its **40th Annual Good 'Ol Boys Christmas Party** on December 5th to benefit underprivileged children in the Atlanta area. Every year for 40 years now, Harpo, and the "Good 'Ol Boys" have prepared all year for this great event that regularly fills a huge party hall with over 400 people to
(See Norm's Notes Page 6)

Thank You!

To The CLUB INSIDER Contributing Author Team

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...Norm's Notes

continued from page 4

celebrate Christmas and provide gifts for needy children. Each person who attends our Christmas Party brings a gift wrapped for the special child named in his invitation. This is a great and special cause, and if you have some spare bucks and would like to chip in \$10, \$20 or \$30 or more to this worthy Christmas cause, just send your check made out to "Good 'Ol Boys Charities," and mail it to:

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• Last month, I commented on the announcement by Nautilus that they were going to sell their Nautilus Commercial Division. The word I got on November 5th, from a *reliable source*, is that the Nautilus Commercial Division will shut down December 8th if it's not contracted for sale by that date. **Stay Tuned!**

• The reports on surveys conducted by IHRSA and other pollsters show that some clubs are making their way through this recession pretty well and some aren't. While I've not ventured into the survey world, I honestly believe that these surveys serve no valuable service, except for stimulation of conversation, if that's of value to you. In my opinion, the truth is that some club owners may respond to a survey one way while the actual truth may be something totally different. If you're getting creamed in your marketplace by overbuilt

competition, unemployment in your area and slow business, how many of you are going to tell somebody doing a survey about that? Not many, I bet. I would also like to point out that, to be valid, and relied upon with trust, such surveys should have a large enough sampling, combined with a significantly representative mix of the parties sampled. So, let me suggest that you read all industry survey results with a *grain of salt* and realize that putting too much stock in them may not be wise. The one survey that really counts is when you survey yourself and say, "I'm getting my butt kicked and think I'd better do something about it..." such as attending a Thomas Plummer, NFBA Seminar (See Ad on Page #21) or hiring RICK CARO, SANDY COFFMAN (See Sandy's Programming Tip of the Month on Page #30), KAREN WOODARD-CHAVEZ (See Karen's Ad on Page #8) or BONNIE PATRICK MATTALIAN for consulting services that will help my club fight through these times more successfully."

• After a "departure spat" between TRT Holdings, Inc. and the Galiani Group, when reportedly, the Galiani brothers had made their announcement prematurely, or at best, not to the satisfaction of TRT Holdings, it was announced on November 13th that KIRK and JOHN GALIANI have departed from the Gold's Gym brand (See New Release on Page #3). The original announcement occurred just before the Gold's Gym Franchise Association (GGFA) owners' meeting in New York City. There was a lot to talk about at that meeting, because at the same time, it was reported that

JAMES WEAVER, GGI CEO of *less than a year*, had resigned. However, word I get is Weaver did not resign, but instead, was fired because of business and personal reasons. I'm sorry to hear that because James seemed to really have a good background and aptitude that would have suited him for the CEO role of GGI. As I reported last month, the Galiani brothers have changed the names of their Gold's Gym clubs to OneLife Fitness, and we wish them well as they continue producing great clubs for the consumers of America. And, we wish all of our friends who are Gold's Gym owners continued great success with the brand.

• Congratulations to AL NO-SHIRVANI, CEO of Motionsoft, as the company is a Finalist for the 2009 ACG Deal of the Year Awards! ACG, the Association for Corporate Growth, picked Motionsoft as one of the three finalists in the Services and Other Category for the 2009 ACG Deal of the Year Awards! Motionsoft merged with BENSON FINE's Conexion Corporation earlier this year, and the combined companies now carry the Motionsoft brand forward.

• Congratulations to GREG LAPPIN and the REMICK Family as The Rochester Athletic Club (RAC) recently received the 2009 Better Business Bureau Integrity Award, which is presented to businesses that operate ethically, with integrity, and are aligned with BBB standards. The Rochester, Minnesota-based club is one of the largest multipurpose athletic clubs in the United States. They serve the social, recreational, educational and health needs of their diverse membership,

especially geared toward families. This news follows on the heels of RAC's Vice President, partner, and General Manager, Greg Lappin, having received the Karl Shurson Award just two weeks ago. Rochester Area Quality Council, a division of the Minnesota Quality Council, presented the award to Lappin for demonstrating the use of quality principles in leadership and management throughout his business practices. Lappin was also IHRSA's 2007 DALE Dibble Distinguished Service Award winner.

• Congratulations to JIM MIZES, as Club One, a leader for award-winning fitness and wellness solutions, announced recently that seven of its corporate partners were recently recognized by the California Task Force of Youth and Workplace Wellness for their commitment to employee health. Club One operates nearly 100 distinct fitness centers nationwide, including corporate onsite, community centers and branded health clubs. It provides its corporate partners with turnkey fitness and wellness solutions to better engage their employees in healthier lifestyles and drive healthier bottom lines. This year's California Fit Business Awards recipients include Club One Corporate Partners: Blue Shield of California, Sybase, Applied Materials, Electronic

Arts, PG&E, Juniper Networks and Marvell.

• If you're in the State of New Jersey, please rally your staff and community to stop Senate Bill 2164, a new State Law that will, if passed, put many group exercise instructors and personal trainers out of business as early as November 23rd. Visit this address to oppose the new law: www.votervoice.net/link/target/ihrsa38222268.aspx

• Congratulations to ANTHONY DiLUGLIO, the Founder of The Art of Strength, as his kettlebell training class, located inside the Mid-City Gym in New York City was named one of the Top 50 Classes in New York City by TimeOut Magazine. Here's what reviewer DAN LOPEZ said, "Before this workout, I'd never lifted a kettlebell (picture a cannonball with a handle, ranging from 8 to 32 kilos), so I didn't know what to expect. Surprisingly, the unusual weight proved versatile: We used them in everything from dead lifts to through-the-legs-and-round-the-back figure eights. Additional exercises with ropes, logs and a medicine ball on a leash (menacingly dubbed the "tornado ball") kept the workout both interesting and challenging. There's definitely a community of seasoned regulars here, and the quick pace results in a steep (See Norm's Notes Page 8)

...OneLife Fitness

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Gold's Gym franchisee Jeff Skeen. They currently operate eight gyms in Virginia, Maryland and West Virginia.

"Over the past few years, we have seen many changes in the industry and have evolved our company from a licensor to a true franchisor," says Tallman. "We've developed a model that's based on providing maximum value to new and existing franchisees in the form of increased support, resources and services. This has meant working with our franchise

leadership to establish additional requirements and commitments from our franchisees. While Kirk and John decided to go in a new direction, we remain committed to aggressively growing the best brand in fitness and wish them all the best in their future endeavors."

"We're extremely proud of what we were able to achieve while we owned and operated Gold's Gym International," said Kirk Galiani. "We're excited about the direction Gold's Gym is headed in and think the future is bright for the greatest name in fitness. We have always felt that TRT Holdings, with their strong

background in the hospitality space and experience owning a customer service-driven business, was a great fit for Gold's Gym."

"We will continue to root for GGI and the Gold's Gym franchisees to grow the Gold's Gym brand and lead the fitness industry," said John Galiani. "We're proud to have been a part of helping to build this world-renowned fitness icon. We want to thank GGI and all of our friends within the brand for so many great times and memories that we'll never forget."

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...Norm's Notes

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learning curve for newbies. You'll be panting by the third station, but the abbreviated sets encourage a full-throttle approach."

•Very close to deadline for this issue, I reached out to **IHRSA President/CEO, JOE MOORE**, for an update on the certification standards development that is in process. Joe wrote back: "Norm, The Standards Committee and I had issues with some of the guidelines. So, IHRSA's representatives voted NO. The first ballot closed on Friday, October 30th. The proposed standard did not receive the required number of "affirmative" votes from the Joint Committee to be recommended for adoption. Accordingly, the Joint Committee will continue its efforts to create a Standard capable of achieving a consensus vote. Here is an

anticipated timeline (subject to change): **November/December** - Following the conclusion of the public comment period (ending November 23, 2009), all negative votes and comments shall be reviewed by the Joint Committee Chair. A concerted effort to resolve all negative ballots and comments shall be made, and each submitter shall be advised in writing of the disposition of the negative and the reasons therefore. **January/February** - Each unresolved negative ballot/comment and attempt at resolution, and substantive changes to the draft standard to resolve negative ballots/comments, shall be submitted to the Joint Committee for review to afford members the opportunity to respond, reaffirm or change their votes. For more information, your readers should visit www.ihrsa.org."

•Welcome back to long-time

friend and advertiser, **GAIL deLEEDE**, the co-owner of **ActiveXL Promotions** with her former husband, **TONY deLEEDE**. NOW is the time to get special promotions set for the **New Year**, so check out Gail's **Active XL Ad on Page #20**. Also, welcome to **ELISE MARTIN**, Active XL Promotions' new **Major Accounts Representative**. Elise has 14 years of marketing and ad specialties experience with customers such as **Coca Cola** and **SunTrust Bank**, and she'll be handling ActiveXL Promotions' multi-club and franchise customers and will focus on implementing customized online stores for their customers.

•Great news for **Expresso Fitness**, as they will continue in business as the company's assets and intellectual property have been acquired by **Interactive Fitness Holdings (IFH)** of **Sunnyvale, California**. Principals in IFH are **BILL STENSRUD, Chairman;**

BRIAN BUTTON, CEO; and **MARK URLAGE**. I spoke with Button about this news, and he informed me that **Expresso Fitness** parts will be available online as of Thursday, **November 19th** at www.expresso.com. I'm happy for the club owners who need parts and service to keep these great machines in service. After seeing **Expresso Fitness** at a trade show about three years ago, I predicted the **Expresso Fitness** rides over all kinds of terrains, would be very well received by club owners and their members, and it was... with over 10,000 installed so far.

•Star Trac has announced the addition of **LARRY DOMINGO** to its senior management team. Domingo joins Star Trac as **Senior Vice President of Global Sales**. Most recently, Domingo was the **Vice President of Sales at Precor**.

•Congratulations to **THEO**

HENDRIKS, of **Sports & Leisure Group**, the recipient of **IHRSA's European Club Leadership Award**, presented recently in Dublin, Ireland. **IHRSA President & CEO, JOE MOORE**, commented when presenting the award, "This year's winner exemplifies what IHRSA means when we say 'success by association.' He believes that together we grow; apart, we fail." Hendriks owns 12 clubs in the Netherlands and was the first in that country to develop multifunctional sports and leisure centers under two brand names: **Capital Sports**, which are multi-sports clubs and **Family Fitness**, which are smaller fitness clubs.

•24 Hour Fitness is defending itself in a couple of lawsuits that date back to 2006, before new **24 Hour Fitness CEO, CARL LIEBERT's** era. They include a Class Action Lawsuit that alleges that 24 Hour Fitness had been collecting money via **EFT** from accounts of members who had terminated their memberships. The second is a Class Action Lawsuit by a group that alleges that 24 Hour Fitness had paid group exercise instructors and other employees improperly in the past. I contacted Liebert and asked him about both actions that have recently been highlighted in the industry, although they're long running actions that are still being litigated and have not had recent major developments. Liebert said, "Norm, I can't really comment on those as they both preceded my arrival here at 24 Hour Fitness." So folks, **Stay Tuned!**

•God Bless the men and women of our **United States Military** around the world, and especially, those in the line of fire in **Afghanistan** and **Iraq**. May they be safe and come home to their loved ones with victory as soon as possible. **Please also bless the victims of the recent Fort Hood tragedy. Our heart is with the families of those fallen soldiers. God bless you, your family, your club and your members. And, God bless America!**

(Norm Cates, Jr. is a 35+ year veteran of the health, racquet and sports club industry. Cates was the Founder and is now the 17-year Publisher of CLUB INSIDER. He may be reached by phone at 770-850-8506 or email at Norm@clubinsideronline.com)

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...Clubs for the Cure

continued from page 3

inspired, will win, and that would be the biggest gift of all for countless people around the world.



Pat Laus

An Interview With Pat Laus

CLUB INSIDER (C.I.) - Pat, please inform our readers about how the Clubs for the Cure program was originally created and then carried over to the health and fitness club industry for the purpose of supporting Augie's Quest.

Pat Laus (PL) - While enrolled in a leadership course in March, 2006, I was challenged to create a program that would make a difference in the world. At the time, several women that I knew had been diagnosed with breast cancer and were undergoing treatment. Soon after that, I learned about the 2-day, 39-mile Avon Walk for Breast Cancer that was to take place in New York in October, 2006. Believing in the power of relationships, as well as possibility, I set out to inspire members of The Atlantic Club staff to enroll other staff members, club members and their friends to train for six months together, raise donations and walk

together as a team. The initiative would be called, 'Clubs for the Cure,' and the ten volunteer staff leaders would be called the Clubs for the Cure Team. The Team would be led by me and Kevin McHugh, COO of The Atlantic Club. We would harness the power of our staff, members and the communities we serve to raise \$1,000,000 for breast cancer treatment and research.

Having walked the Avon Walk for Breast Cancer in New York for three successive years, the Clubs for the Cure Team reached its goal of raising \$1,000,000 in October, 2008 (See Photo Right). In addition, our Team was recognized by the Avon Breast Cancer Foundation as being the largest team globally that had ever participated in an Avon Breast Cancer Walk and the team that had raised the most money ever as well!

In 2007, Augie Nieto asked me to serve on the 2008 Bash Advisory Board. It was during one of our Bash meetings that Augie shared with us that, although Augie's Quest (and Bash) had been generously supported by club owners and vendors, he would like to see a 'grassroots effort' launched within the industry. It was at that time that I realized, perhaps, the 'Clubs for the Cure' template could be duplicated within the community of our great fitness industry and produce the results Augie was hoping for. The Clubs for the Cure Team would take on a leadership role to harness the power of the staffs, members and vendors of the fitness industry to support Augie's Quest, increasing awareness of ALS and helping raise much needed research dollars to help find a cure for this dreadful disease.



Augie's Shake Shack

C.I. - Now completing its second year battling ALS with Augie's Quest, how has Clubs for the Cure evolved?

PL - The Clubs for the Cure program continues to build momentum each day. This past year, we have received phenomenal support from IHRSA, IDEA, Club Industry and Athletic Business. Each organization has promoted our programs to its members, donated booth space on its trade show floors, featured the Clubs for the Cure efforts in its opening ceremonies and publications and given support in many other ways. Industry leaders continue to spread the word to their contacts; fitness industry consultants have joined our efforts by encouraging their clients to participate, often donating a portion of their fees to Augie's Quest; industry vendors continue to send information to their clients encouraging them to join the 12 Days of Fitness initiative and print and online publications continue to promote the program. In September, Clubs for the Cure participated in Leisure Industry Week, Birmingham, England, where we received the support of FIA, EHFA and the 12 Days of Fitness European Advisory Board. We are also working closely with the Muscular Dystrophy Association and their regional offices to enroll clubs within their regions to participate. In short, our circle of communication and relationships grows each day!

C.I. - Recently, Doug Miller, of Sales Makers International, offered his 12 Days of Fitness program to Clubs for the Cure for use in clubs worldwide this Holiday Season. How did this come about?

PL - After attending the 2008 Bash, Doug Miller and Ray Gordon, of Sales Makers International, approached me about the possibility of Clubs for the Cure incorporating the 12 Days of Fitness program into our initiative to help raise donations for Augie's Quest. They both wanted to do something for Augie, whom they appreciated for his contribution to our industry. At the same time, they introduced me to Laurie Metrick, owner of The Metrick System (joinonline247), who agreed to donate his company's time and expertise for the design of the new Clubs for the Cure website that would promote the proposed 12 Days of Fitness program.



Clubs for the Cure Made It - \$1,000,000 Raised!

C.I. - Compared to some of Clubs for the Cure's other programs, 12 Days of Fitness will be a global initiative. How will this be managed by the Clubs for the Cure team already in place?

PL - The global initiative is being forwarded by me, Kevin McHugh, Doug Miller and the 12 Days of Fitness European Advisory Board. The Clubs for the Cure Team is available by email and phone to clubs in the UK, Ireland, and greater Europe that need any assistance in running the program or an event.

C.I. - Please explain how the 12 Days of Fitness works for the club owner. What can a club owner expect if they bring the program to their club?

PL - The how-to of running a successful 12 Days of Fitness campaign is at the club owners' fingertips! All a club owner needs to do is log onto our website, www.clubsforthecure.com, and read the information that is provided there. The marketing materials can be downloaded and customized with their own club logo and location. It can then be printed. The program can be up and running in a matter of days. It is as easy as 1-2-3! It is important, though, that the club owner spends sufficient time educating their staff about the benefits of participating in the 12 Days of Fitness program. The program will help drive nonmembers from their communities into local clubs, raise donations for Augie's Quest and get more people more active in experiencing their clubs, staff and programs.

Within one short month, an average club could realistically sell a modest number (100 or so) of 12 Days of Fitness Guest Passes for \$20, thereby raising \$2,000 for Augie's Quest! After

'Wowing' the guests with their programs, staff and services, each club could easily realize 50 new members! I don't believe there is a club owner in our industry that wouldn't see those results as a 'win-win-win!'

C.I. - Heading into the Holiday Season, can you share with our readers preliminary results of the program?

PL - Early indicators tell us that we will have several hundred clubs participating in the 12 Days of Fitness for Augie's Quest program. It is too early to predict what the overall results will be since many clubs are just now beginning the program; however, I can share with you that, in the first ten days of November, The Atlantic Club has already sold almost two hundred 12 Days of Fitness Guest Passes. Besides the newspaper ads, postcard distributions and email blasts, our staff has taken on a massive outreach program to our business community and members.

When creating the 12 Days of Fitness Guest Pass, I asked the question, 'What would it take for the fitness industry to raise \$1,000,000 in November and December for Augie's Quest?' Then, we ran some preliminary numbers:

1 Club x 100 Guest Passes (\$20) = \$2,000
 500 Clubs x \$2000 = \$1,000,000

Having 500 out of the more than 30,000 health and fitness clubs that exist in our industry in the United States participate in this program is not a lofty number! With only 15-20% of the United States population currently belonging to a fitness facility, I believe there are at least fifty-thousand 12 Days of Fitness (See Clubs for the Cure Page 12)



More People More Active More Often

**LET'S ALL OPEN OUR DOORS FOR
12 DAYS OF FITNESS THIS HOLIDAY SEASON
AND HELP A GREAT CAUSE!**

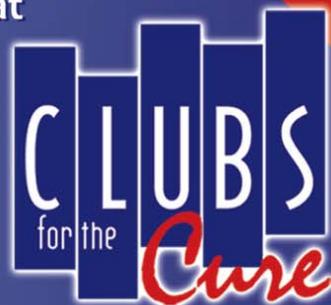
For the health of our nation, we need to get more people, more active, more often. The **12 Days of Fitness for Augie's Quest** program is a global grassroots campaign that demonstrates the Health and Fitness industry's commitment to helping all people become more fit while lending a hand with important social causes.

This November and December, open your doors to the public with a **Free "12 Days of Fitness" pass** when your guest donates \$20 to **Augie's Quest**. It is a fantastic way to showcase your club to the community during this upcoming holiday season and help **Augie's Quest Cure ALS**.



Augie Nieto, founder of Life Fitness, was diagnosed with ALS in 2005. Later that year, Augie and his wife Lynne created the Augie's Quest initiative in conjunction with the Muscular Dystrophy Association (MDA). For more information visit www.augiesquest.org.

Fundraising programs and materials are all provided for your use at www.clubsforthe cure.com as well as helpful phone contacts to assist you in becoming part of this effort.



Together we can make a world of difference!

...Clubs for the Cure

continued from page 10

ness Guest Pass opportunities out there! If half of those 'guests' joined our clubs and began a healthy lifestyle, it would definitely make a difference for Augie and our clubs!

C.I. - Looking forward to the New Year, what other exciting initiatives do Clubs for the Cure have in the works?

PL - We will be transforming the Clubs for the Cure program, events and website right after the first of the year. We intend to continue to enroll clubs in conducting events at their clubs to benefit Augie's Quest, and our website will include many new ideas that have been created and successfully conducted by clubs around the country these past several months. Everyone will see that there really is no limit to the amount of creativity in our industry. It all begins with the club owner simply saying to their staff, 'We are doing this! We want to make a difference! We want to help Augie with his Quest to find a cure for ALS!'

C.I. - In our previous story about Clubs for the Cure, you discussed the importance of relationships in our industry. Please share with our readers your thoughts on this once again, especially given the success of Clubs for the Cure.

PL - The foundation for the success of the Clubs for the Cure program has been relationships. The club owner's relationship with their staff, that is, his ability to touch, move and inspire his staff by sharing with them who Augie Nieto is, what he has done for our industry, what ALS is, what Augie's Quest is about, why it is that the club owner chooses to

support the Clubs for the Cure/12 Days of Fitness program and what the benefits could be to the club, its growth and its identity in the community.

The owner also has relationships with his club's vendors and can encourage them and/or local companies to buy 12 Days of Fitness Guest Passes as holiday gifts for their employees. For a \$20 donation per employee, an employer can give 12 Days of Fitness to their employees, thereby getting more people, more active, more often!

It is also about the staff members and their relationships with their members and clients. The staff can invite the members to invite their nonmember friends to participate in the 12 Days of Fitness Guest Pass program. Their members will have the opportunity to show off their club, its facilities and programs, and hopefully, encourage their friends to integrate fitness and friendships at their club into their lifestyle.

It is also an opportunity for the club to call upon their relationships with the local business community and get them involved by placing postcards or fliers in their businesses for their customers to consider. The 'passes' can be validated when presented to a club and a \$20 donation is made to Augie's Quest.

Lastly, anyone reading this article has club owner and vendor relationships in the industry that he can encourage to support the 12 Days of Fitness Guest Pass program. All it takes is one minute for any one of your readers to forward the website by email and encourage one of his relationships in our industry to join the 12 Days of Fitness initiative.

In the end, the 'power of one' relationship translates into 'the power of many' relationships,

which in turn, becomes 'the power of an industry making a difference in the world!'

C.I. - The story of Augie and Lynne Nieto, and how they have created something that brings out the best in all of us is an amazing one indeed. What has their love and support meant to you?

PL - Augie and Lynne are a daily source of love and inspiration to me and our entire Clubs of the Cure Team. Personally, Augie's energy, sense of purpose, encouragement, brilliance and caring, peppered with his sense of humor, lift me each day. He seems to have a sixth sense in knowing just when to share his attributes with all who know and love him; not too much and not too little, just enough to make each of us want to reach farther and dig deeper than we could ever imagine, causing us to feel and be more than we ever thought we could be, helping him find a cure for ALS!

Lynne and Augie's love and devotion to each other is palpable! How can anyone not be inspired by Lynne, the woman, the wife, the mother, the gracious friend! Her love and appreciation for all who share her life is evidenced in her eyes.

Augie and Lynne, now that's a powerful relationship!

C.I. - Please share any additional comments you may have about Clubs for the Cure, its success thus far and its direction headed into the future.

PL - The success of Clubs for the Cure is caused by extraordinary members of our Team and their commitment to making a difference in the world. I am honored to share my life with all of them and look forward to continuing to support Augie and his Quest to find a cure for ALS.

In the future, we will be supporting other ALS community events, as well as other local charitable causes. I would suggest to you, as others in our industry believe, that the fitness industry is the answer to our country's health issues. So I ask the following question:

Is it possible for the fitness industry to own its power? Is it possible to harness the power of its more than 30,000 clubs, and 45 million members to make a difference in the world by getting their votes heard in Washington for health care bills that include health and fitness club programs as a treatment for the health and



Clubs for the Cure at IHRSA 2009

obesity issues that plague our great country?

Can we use the 'power of our relationships' to make a difference for future generations?



Kevin McHugh

An Interview With Kevin McHugh

CLUB INSIDER (C.I.) - For quite some time now, the economy has been a concern for many, if not everyone, in some way; however, the Power of One concept makes it easier to produce amazing charitable results because of a large base of supporters. Has this been the case for Clubs for the Cure in its second year supporting Augie's Quest?

Kevin McHugh (KM) - Yes, the Clubs for the Cure/Augie's Quest team has grown dramatically in our second year. Our team continues to be in communication with clubs throughout the industry, and we are well ahead of our prior year performance with the number of clubs that have already conducted fundraising events and others that have programs scheduled prior to The Bash in March. The Clubs for the Cure program offers club owners both the marketing support they need and the ability

to talk as a club operator to other club operators, which has been a great help in the development of unique and successful events.

The Clubs for the Cure template is based on harnessing the power of the staff and members and allows the club owners to raise substantial dollars to find the Cure for ALS while not negatively impacting their bottom-line --very important during these challenging economic times. It is a win for the ownership since they have created goodwill within their community, a win for the staff involved in a great cause, and ultimately, a win for Augie's Quest since the club has generated additional research dollars that will help find the cure.

C.I. - Please share with our readers what they can do to immediately get involved with the 12 Days of Fitness program.

KM - There is still time for club owners to get involved with the 12 Days of Fitness program during the month of December. Our Clubs for the Cure Team will immediately provide any of the support materials that a club will need to conduct the best holiday guest pass program available in the industry. In addition to the support that is provided at www.clubsforthecure.com, the Clubs for the Cure Marketing Team will customize any materials that a club needs to launch a successful 12 Days of Fitness Guest Pass program. This program provides a 12-consecutive-day guest pass to the health club for a \$20 donation to ALS.

In addition, there are several other exciting, and turn-key programs outlined on the Clubs for the Cure website that are available for clubs to incorporate into their special events program (See *Clubs for the Cure* Page 14)



Clubs for the Cure at Club Industry 2009

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...Clubs for the Cure

continued from page 12

prior to The Bash.

C.I. - Clubs for the Cure recently re-launched www.clubsforthe.cure.com with a very easy-to-use interface, including an absolute wealth of information, resources and videos for prospective club owners to join Clubs for the Cure. How did this come about with 24/7 Online, and what feedback and results have you received so far? **KM** - The new Clubs for the Cure website was donated to Clubs for the Cure by Laurie Metrick and his team at Metrick Systems. The site provides a new and enriched online environment, incorporating joinonline24/7 technology. This enabled the Clubs for the Cure Team to incorporate new social marketing programs using Facebook and Twitter to help increase the number of club owners and club members involved in finding the cure for ALS. The Clubs for the Cure website has been designed to be an easy-to-navigate library of promotional programs and support materials that clubs can use year-round to conduct a special fundraising event for Augie.

The success of the website is evident in the numbers: the site receives an average of 25 visits per day, and the majority is direct traffic with the average visit lasting three minutes or more.

C.I. - Given the power of the Internet, and the role your website has already played in Clubs for the Cure's success, what should we expect to see online at www.clubsforthe.cure.com in the future?

KM - The Clubs for the Cure Team is set to launch 'Phase Two' of the website in early December

that will offer additional new features to continue to support clubs around the world to get involved with this, now global, grassroots effort.

Included with our next upgrade will be club success stories, new programs for clubs to use in developing unique events as well as an area where those impacted with ALS can share their story. We will continue to listen to feedback from clubs to provide the best possible site for this very important effort as we continue to expand our social marketing initiatives in 2010.

C.I. - The core of the original Clubs for the Cure program was run by the staff of The Atlantic Club, separate from club operations. Is this still the case given the program's success, and now, worldwide expansion? How has this bonded your team together? Has this also had an effect on your own clubs' membership? **KM** - The core of the Clubs for the Cure program has been and continues to be staffed by volunteers of The Atlantic Club staff in addition to the important roles they play in the overall success of The Atlantic Club businesses. It is not separate. We also work very closely with the Muscular Dystrophy Association, which continues to support our team in all of our yearlong efforts. It is amazing given our recent success enrolling clubs from around the world that we have been able to maintain the initial core structure by simply expanding the number of volunteers that are now part of the team.

The members and staff of The Atlantic Club have showcased their support for Augie's Quest with numerous fundraising events that have raised over \$50,000 in the past

two years. The Clubs for the Cure effort has created an opportunity for our members to make a difference by participating in fun activities at the club. This has assisted in nurturing our membership and providing greater results in addressing our retention levels; however, our efforts were never focused on new membership opportunities, but rather, on harnessing the power of current members to make a difference in the world. Our belief is that, when you do good, great things come into your business. The Atlantic Club continues to be very fortunate with many of the relationships that have been built through the Clubs for the Cure Team's efforts.

C.I. - Please share any additional comments you may have about Clubs for the Cure, its success thus far and its direction headed into the future.

KM - Being involved with the Clubs for the Cure Team has been a very rewarding personal and professional experience for me and the entire Clubs for the Cure Team. We remain focused and committed to developing a grassroots movement that will continue to grow throughout all levels of the industry worldwide.

The Clubs for the Cure Team will continue to enroll clubs to work as 'One' to make a difference in the world, whether it is to find the cure for ALS or another cause that needs support in the future. The health and fitness club industry has the potential of creating breakthrough results in fighting disease as well as many other social issues across the globe. The focus for our Clubs for the Cure Team is to continue to build our 'One' voice and align clubs to work together regardless of size or geographic location to make a difference in the world. To summarize, the Clubs for the Cure Team's work is only just beginning! The team remains committed to supporting owners, their members and staff in supporting efforts that will continue to increase awareness while raising funds to find the cure for ALS.

An Interview With Doug Miller

CLUB INSIDER (C.I.) - How did the 12 Days of Fitness program come about in the late '80s?

Doug Miller (DM) - The Twelve Days of Fitness (www.thetwelvedaysoffitness.com) is the single most successful



Augie's Bash 2008

campaign I've ever come up with... I originated the concept of marketing potential members of health clubs with the catch phrase 12 Days of Fitness in 1986 at Briarwood Wellness and Fitness Center in Richmond Virginia. Here's the story:

While driving from New Jersey to Virginia, the song, *12 Days of Christmas*, was played on the radio. I couldn't get the song out of my head, and during the drive, the realization that Christmas sounded like fitness was firmly embedded in my mind.

When I first came up with the campaign, while working with Briarwood, we had been contracted on the 20th of October, and we needed to get 420 new members by the 20th of January. So, when I arrived at the club, I explained the concept to John Bates (the GM), and we immediately produced 12 Days of Fitness passes to be sent to the members. We also printed a Bonus Dividend Certificate and made deals with a radio station and a sporting goods store to promote the campaign.

The radio campaign enabled listeners to get a chance to win a one-month membership on the 1st Day of Fitness and a can of tennis balls (or, whatever). On the 2nd day, they could win a one-month membership, a can of tennis balls and a tennis racquet, and so on... All winners would then go into a separate prize drawing for a one-year family membership.

We advertised to non-members that they could purchase a pass for \$19.86 (1986), with the proceeds going to a charity. Anyway, in December, when I left the club, we had sold about 240 memberships.

The holidays came and went, and I was scheduled to go to the club mid-January to

do a wrap-up. I called one of the Membership Advisor's (Sue Nagel) to confirm my arrival and to see what was going on. When she answered, after a modest hold, I wished her Happy Holidays and New Year, informed her of when I would arrive and asked what the figures were, so far.

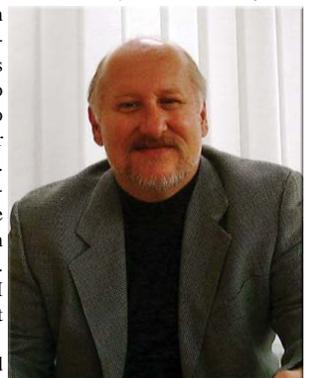
She said that we were at 300 memberships. So, I said, 'Oh well, at least we tried.' She asked what I meant, and I answered, 'Well the goal was 420, and we only had 300.'

She said, 'No, we've sold 300 THIS MONTH! It's absolutely insane; we've got people waiting to join, since the campaign ends in two days. That's why it took me so long to answer the phone. I've sold six today!'

The bottom line is, we sold 640 memberships, made a good bonus (the Membership Advisors got a trip to Florida) and that was the beginning.

C.I. - When and how did adapting the 12 Days of Fitness program to Clubs for the Cure occur?

DM - I've known Augie for about 28 years (I met him while working with Court South), and two years ago, I told him that I was going (*See Clubs for the Cure Page 16*)



Doug Miller



Augie's Bash 2009

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...Clubs for the Cure
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to donate the campaign to Augie's Quest as a fundraiser. I saw Pat the same day and explained what I wanted to do. She had been a client and was familiar with how successful it was and said 'yes' immediately. It was put together this year with my partner, Laurie Metrick (www.joinonline247.com), who was building the new Clubs for the Cure website. It's a

fully-functioning joinonline247.com site, and it went live in August.

C.I. - How is the 12 Days of Fitness program going so far in Europe?

DM - We've appointed a European Ambassadors group. Just about every Club Association in Europe has supported the campaign, and this reflects about 6,000 clubs. We don't know how many clubs will actually conduct the campaign, but this is the

largest campaign of its kind in the industry, EVER. Canada is the only country where, to date, we don't have any support.

C.I. - Will we see Clubs for the Cure and 12 Days of Fitness together in the future?

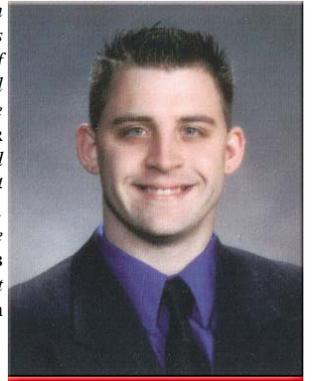
DM - I certainly hope so.

• • •

I want to thank Pat Laus, Kevin McHugh and Doug Miller for taking the time to share this great story. Additionally, I want to thank those of you reading this who have already joined the Clubs for the Cure Team. You are making a difference. If you are not yet part of this great movement, I hope this story has been informative about Clubs for the Cure's modest roots, rapid success and bright future, not to mention how easy it is to become a part of! Augie Nieto is an amazing inspiration to so many, and he truly shows how powerful the Power of One concept can be. Heading into the Holiday Season, experience that phenomenon for yourself and help continue to support Augie's Quest through Clubs for the Cure's 12 Days of Fitness!

(Justin Cates is the President of

CLUB INSIDER and grew up in the health, racquet and sports club industry. From the age of eight, he spent his non-school and sports hours in a home which doubled as **CLUB INSIDER** Headquarters. He has lived and breathed this industry for 24 years, since his own day one. Now, he is an integral part of the "Story" of Norm Cates and **CLUB INSIDER**. Justin may be reached at Justin@clubinsideronline.com or by phone at 770-595-6086)



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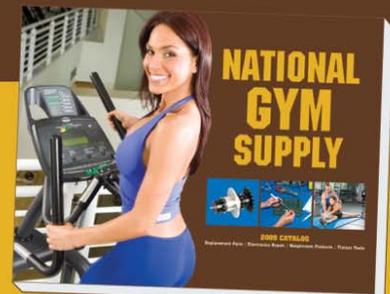
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Fifteen Steps to Paradise

By: Will Phillips

Step 3 Strategy: The Mother of Business Success

During good times, your club will succeed whether it is well managed or not. Even poor farmers farm well in good years. In the tough times, though, you need a powerful competitive strategy.

Most club owners want quick fixes for any part of the business that causes pain. The real problem is there are parts of your business that need attention that are not obvious. They are not painful; they are invisible, yet they cause the obvious and painful problems that you want to fix. Just like plaque in your arteries, you cannot see some of the deadliest killers in your business. This series of articles covers the fifteen areas that, when well cared for, will put your business in the top half percent of successful clubs. REX (Roundtables For Executives) is also working on a complete club diagnosis to uncover your strengths (and weaknesses) in each of the fifteen areas to help owners decide where to focus their improvement efforts.

Getting your competitive strategy right makes everything else easier. Not having a competitive strategy, or worse, thinking you have one when you don't, makes everything much, much harder. If you are worried

about competitors, especially low cost ones, or feel your club is not growing or insufficiently profitable, this article begins to lay the foundation for addressing all those painful problems.

What is Strategy?

Strategy is an ancient military word. It describes how smaller armies can beat the daylights out of larger ones by being faster, more innovative and having more information on the enemy. Thus, strategy gives you an advantage over competitors. Formulating good strategy is very difficult. Even the military struggles to create the right strategy. Most often, armies end up fighting the last war, not the current one which is why some wars drag on. Strategy is difficult because it means not following the herd, and it involves making difficult tradeoffs. Being all things to all people is okay if there is no competition. When competition arrives, you must decide what not to do and who not to serve.

Business strategy consists of a few decisions about your whole business which considers the critical external factors (primarily markets and competition) in shaping how you will focus your resources (primarily knowledge, financial and facilities capital) so that the business delivers competitively distinct value in the customers' eyes. Done well, the strategic

design of your club attracts, selects and sells your customers. When strategy is weak, you must sell hard, very, very hard.

Competition is a Self Inflicted Wound

For years, CLUB INSIDER has reported that the growth of new clubs has outstripped the growth of the club market. This was the warning sign that ushered in health club hyper competition over a decade ago. Since few owners paid attention to this sign, hyper competition has become a self-inflicted wound, not the inevitable outcome of increased competition. The root of the problem is the failure to distinguish between operational effectiveness and strategy. The quest for service, productivity and quality has spawned a huge outpouring of management books, consultants, seminars and speakers. Although the resulting operational improvements have often been dramatic, many clubs are often frustrated by their inability to turn these into sustainable profitability. The danger is that management tools have taken the place of strategy. As clubs push to improve on all fronts, they move farther away from viable competitive positions. Operational effectiveness is necessary but not sufficient. Operational effectiveness and strategy are both essential to superior performance. Focusing only on operations is like bailing in a sinking boat without stopping the leak. Since the club industry is dominated by operational thinking, it makes it challenging to even look for leaks.

How Strategy Helps

Strategy works when you have a clear statement on how you plan to succeed in your market and against your competitors, and you then use it to shape every other decision made in the club. Strategy tells you which operational improvements to make and which not to make. This conserves your money, time and energy. Guiding strategy is one of the most powerful tools for success in any business. This is more necessary when you have multiple locations or manage over

50 to 100 people. In these cases, you simply cannot be everywhere, all the time, coaching everyone on every front line decision. Without a strong, clear strategy statement, you cannot effectively delegate, you will waste money, your manager's time and often constrain growth and profit.

Signs of Strategic Shortfall

Signs of a strategic shortfall are frustration with people in having to tell them over and over again about how to do it the right way; or growth and profitability not increasing at a double-digit rate each year --yes, even in 2009; or competitors that are winning. All of these symptoms indicate that your boat has a leak.

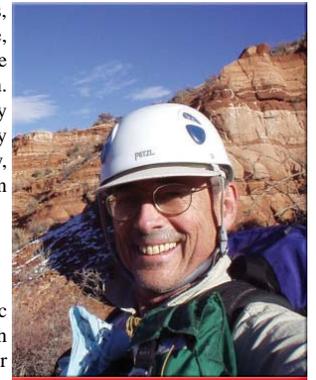
Strategy is Like a Magnet

Your club is defined by the thousands of decisions made by the owner, the managers and hundreds of employees every day. These decisions are like a pile of iron filings, each one representing a different interaction, or behavior, during every day throughout the year. The filings are haphazard and pointing in all directions. When a magnet comes into play, it can organize all those filings and decisions and behaviors to go in the same direction and give you an extraordinarily powerful edge in the success of your business. No magnet; no focus. No focus; no efficiency.

A Strategy Example

One business with a powerful strategic magnet is Edward Jones, a St. Louis-based brokerage firm, which is the fourth largest in the United States. It has quadrupled its market share during the past two decades, has consistently outperformed its rivals in terms of ROI through bull and bear markets and has been a fixture of Fortune's list of the top companies to work for. Here is the core of their strategic statement:

To grow to 17,000 financial advisers by 2012 (from about 10,000 today) by offering trusted and convenient face-to-face



Will Phillips

financial advice to conservative individual investors who delegate their financial decisions, to a national network of one person financial adviser offices.

Now try summarizing your company's strategy in 35 words or less. Do not feel badly, most business owners and CEOs throughout the world cannot do this. As a result, they have an uphill battle trying to get people and systems to be efficient, effective and going to the same direction (For more, read *Can You Say What Your Strategy Is?* - By Collis and Rukstad in the *Harvard Business Review*, April 2008).

Elements in Your Strategy

The three basic elements of your strategy include:

Objective: What results you are trying to achieve? One objective please. [*To grow to 17,000 financial advisers by 2012 from about 10,000 today.*]

Scope: What piece of the market will you focus on? [*conservative individual investors who delegate their financial decisions.*] What product/services/experiences (p/s/e) will you provide? [*offering trusted and convenient face-to-face financial advice.*] And the boundaries which you will not consider crossing? [*national network of one-person financial adviser offices.*] Together, these three elements define a sweet spot where no one else is.

For Edward Jones, the company's customers are long-term investors, who have a conservative investment philosophy. (See Will Phillips Page 20)

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A club chain in AZ reports – “The VFP is the standard presentation for both POS and New Member Orientation. Upon implementing the VFP, our club went from producing \$0 per day in Program/PT at the point of sale to now producing \$12,000-\$15,000 per day.”

A club in Canada reports – “Fitness Managers are averaging PT packages of \$3,500-\$6,000 per PT deal.”

A club in IL reports – “The VFP helped build our monthly PT drafts from \$0 per month to over \$40,000 per month in our 15,000 sq. ft. facility.”



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 PROMOTIONS

...Will Phillips

continued from page 18

sophy and are uncomfortable making serious financial decisions without the support of a trusted advisor. Their investors delegate their investment to trusted advisors.

Advantage: What are the means by which you accomplish your ends in a competitive market place? What will your business do differently or better than others to find the important means or advantage by which you will achieve your stated objective? That advantage has complementary internal and external components.

A value proposition explains why the targeted customer should buy your product above all the alternatives and a description of how internal activities must be aligned so that only your firm can deliver that value proposition. As Michael Porter clearly pointed out in his seminal article, "What Is Strategy?" (*Harvard Business Review* - November - December 1996), all strategies require tradeoffs. Trying to be all things to all people is not strategy. It is simply soft thinking. Porter

explains that most businesses fail to have strategy because they fail to make tradeoffs, because tradeoffs require making difficult and hard choices. If you choose to grow, set profit aside; if you choose profitability, then growth will take a back seat. If you seek to serve corporate clients, then you must neglect retail customers. If your value proposition is in lower prices, do not even begin to attempt to compete on service. If your strategy involves economies of scale, forget accommodating customer needs. Making such choices is what enables you to have strategy.

Edward Jones achieved both growth and profit. What was their tradeoff? First, they have one-person offices in lower cost settings and keep overhead low. Second, they have never had online trading for their clients. Finally, their strategic objective was neither growth nor profit; it was growing from 10,000 offices to 17,000 by 2012.

Companies tend to confuse the statements of values or their mission with their strategic objective. A strategic objective is not, for example, maximizing shareholder wealth by exceeding customer expectations. Rather, it is a single

precise objective that will drive the business over the next three to five years, such as Edward Jones desire to grow from 10,000 to 17,000 financial advisors.

Building Your Successful Competitive Strategy

The biggest challenge is that building a successful strategy is hard work. It is not a cookbook. It is not something to copy. It is to be created. Most likely, it will be faster and deeper and easier if you do this with others --your class A management team on retreat for a weekend or two. Or, a roundtable of peers who will challenge and help you. Or, an outside strategy consultant. Make a commitment to build or refine your strategy now.

Resources For Strategy

Execution: Doing What Matters To Get Things Right - by Larry Bossidy and Ram Charan presents a parallel, hardnosed view of strategy formulation by looking very carefully at your objectives, your capabilities and your market. Read the summary here.

Why Plans Fail. Most strategic plans fail because: 1) they are really 'to do' lists or

grand statements which don't drive actions through *Alignment* and *Fir*; 2) They fail to focus the organization and individual behavior by specifying *What Not To Do*; and 3) they change every few years because they are not implemented, and hence, do not drive results. Use the self diagnosis in this article to evaluate the likelihood your strategy will be implemented.

How Good Is Your Strategy? Evaluate your strategy against eleven criteria.

Honing and Implementing Your Strategy provides guidance or fine tuning your strategy and then implementing it by adjusting the seven organizational design factors to support and drive your strategy. The next step is driving strategy through all your functional departments so they are all supporting of your strategy.

Implementing Strategy: A Branding Check List to Improve the Implementation of

Your Strategy. This REX briefing partners with the above one to give you a specific check list.

Strategy Review - by Will Phillips. The first five club owners that sign up for a 2009 strategy review will get a telephone call to explore the strengths and possible improvements to your strategy by Will Phillips.

Complete Club Diagnosis by REX. Sign up now for access to this powerful tool.

All of the above resources are available at www.RexRoundtables.com, under *Club Insider* and at www.clubinsideronline.com.

(Will Phillips is the President of REX Roundtables for Executives. REX chairs eighteen club owner roundtables in the U.S., Australia, New Zealand, Brazil and Japan. The newest REX Roundtable will focus on Small Giant businesses in all industries. Your comments and inquiries are welcome Will@RexRoundtables.com)

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Trust Marks

By: Derek Barton

Publisher's Note: I have felt for a long time that Derek Barton, Owner of Barton Productions, and Mike Grondahl, Founder of Planet Fitness, are two of the brightest branding and marketing minds working in the health, racquet and sports club industry today. Barton, working with Pete and Paul Grymkowski and Rich Minzer years ago, successfully changed the worldwide image of Gold's Gym from an organization of muscle-head gyms to one of sophisticated operations and facilities. Barton weighs in this month on the low price movement in the industry, while Grondahl continues to very successfully teach the club industry that: (a) people will join your clubs if *you make them feel like they will be emotionally comfortable* in your gym or club and (b) *price does matter* when it comes to attracting members, but *you can't do that successfully at any price*, without *marketing expertise and execution*.

• • •

If you ask a woman to name an important trait she loves about a man, a sense of humor usually tops the list. And, if you ask a guy which trait is the most important to him when it comes to a woman?

It's **Trust**. No, really, **TRUST**.

On the cover of the **August 2009 Edition** of **CLUB INSIDER** was the word **TRUST**. That is a powerful word. Norm Cates talked about **Trust** in the cover story. Those were powerful words.

As Paul Zak, a Professor of Economics and the Founding Director of the Center for Neuroeconomic Studies at Claremont Graduate University said, "Trust works as an 'economic lubricant' that affects everything from personal relationships to global economic development."

Here are my two cents. If you only want a penny for my thoughts, keep the change.

Think of your Trade Mark more like a **Trust Mark**. A Trust Mark is what the consumer thinks when they see your Trade Mark.

When they see your logo, they either trust you or they don't. Take the test: Nike's Swoosh. What are you thinking? I think it's safe to say that when you see that logo, you trust Nike to make superior athletic gear.

Mercedes... We trust their tag line, "Engineered like no other car in the world." Apple... Innovative computers, MP3 players and the coolest cell phone on the planet. Yes, I was one of those people who paid \$599 for the first iPhone. Gladly... Why? Because I trust Apple to make cool products for me that are fun, easy to use and help me be more productive.

The only complaint millions of Apple iPhone users have is with their carrier partner, AT&T. They're about as functional as breasts on a snake. Yes, "Ma Bell," one of the biggest and most successful brands in the world at one time. Not anymore. Thanks to them, I can't get any reception in my own neighborhood or in my own home. I'm one of those iPhone fanatics uttering those famous words, "Can you hear me now?" And which carrier does every iPhone user wish they had? Right, Verizon. Why? We trust them.

The United States Post Office... We don't trust them. How could you trust a place that builds eight clerk windows but only has two clerks working there at any given time? We'd rather pay FedEx double because the lines are shorter, the employees are nicer, and we trust them to absolutely positively deliver our package on time.

A health club... Consumers don't trust them because one day they're open, and the next day they've closed. There are fees of every kind: enrollment fees, initiation fees and service and deposit fees. One month, you see an ad for \$99 enrollment, and the next month that fee is waived. Over time, the consumer sees a gym membership advertised for \$49 a month, the next time it's \$39, then \$29 and then it hits \$19. They see so many specials and price slashing, the consumer gets the message that the product and service can't be of any great value. They trust their instincts that, maybe if they just wait, someone will come along and charge \$10

a month. Bingo. They're right. Hello *Planet Fitness*.

Low-priced clubs like *Planet Fitness* look at most health clubs and see that members are paying for customer service that really doesn't exist. Or, these clubs have amenities that aren't being utilized by the majority of members. Or, the equipment is always down, the place is dirty and the atmosphere is about as colorful as a tumbleweed. Voila. *Planet Fitness* builds a box with colorful purple and yellow walls and just enough free weights, selectorized machines and cardio equipment, along with a couple of tanning booths, in a clean and comfortable environment.

They shout out with their ads, in essence saying, "Why pay all that money when you can train with us and get the same thing for only \$9.99 a month? Welcome to the Judgment Free Zone." Upgrade to \$19.99 a month and use any of our 300 locations, with unlimited tanning and guest privileges." These low cost gyms are like *Motel 6*. "We'll leave the light on for ya."

Filling niches is a part of great marketing. *Curves* marketed to the de-conditioned woman (the couch potato, or potatoe if Dan Quayle is reading this) and became successful at it. *Planet Fitness* is capitalizing on the failures of the average health club today.

Good for them, but bad for the health club industry, because if *Planet Fitness* continues to grow and other gyms continue to copy them, Planet Earth (i.e., the masses) will believe that getting yourself in good physical shape is only worth \$9.99 a month.

I wish my satellite TV bill was \$9.99 a month. I wish my cell phone bill, my electric, gas and water bills, my gardener, housekeeper, cable modem, groceries, golf fees, car payment, gasoline, mortgage, and my wife's Starbucks tab were all \$9.99 a month. Look at what we're willing to pay every month to live our comfortable lives, but the most important item we need to really live, our health, we have devalued and commoditized down to \$9.99 a month.

What a shame! Shame on us, the fitness industry, for

not showing the true value and benefits of our products and services. Shame on us for only getting 14% of Americans into our health clubs. The other 86% don't trust us to be the solution for their overweight and obesity problems.

But, I'm the eternal optimist. I'm the kid whose Christmas stocking you could have put a bunch of horse manure in and I would have awakened my parents Christmas morning holding that stocking screaming excitedly, "Mom, Dad, there's a pony around here somewhere!"

So, let's all of us start in January, 2010 and charge \$9.99 a month. That's over 30,000 health clubs in America. Let's all make our clubs the same size, about 15,000 square feet, with just strength and cardio equipment plus a couple of tanning booths and paint everything purple and yellow. Since we all seem to be heading there anyway, and \$9.99 seems to be the answer to America's health care problem, let's get a jump on it, "Come one, come all and join our Judgment Free Zone for only \$9.99 a month. Your New Year's Resolution Solution!"

And kudos to the first gym owner who later paints his walls a different color with inspirational branding and charges \$11.99 a month. Kudos to the next owner who adds group exercise classes and charges \$19.99 a month. Kudos to the next who adds spinning and charges \$29.99. And, kudos to the next gym owner who adds an indoor swimming pool, basketball court, juice bar and great customer service for \$49.99 a month. Kudos and kudos and kudos...

Wow, different gyms for different people. What a concept! My father once said to me, "If you and I were exactly alike, one of us wouldn't be needed." I told him I would miss him. He adjusted his glasses with his middle finger.

By differentiating ourselves from the competition and thinking way outside the box, we won't end up like the fast food chains all selling 99¢ burgers.



Derek Barton

That marketing plan failed miserably, and hopefully, we won't end up like the American automobile industry. Needless to say, nobody is going to bail out the fitness industry.

If we're smart, insightful and innovative, people just might see the most incredible health clubs on earth. These clubs could attract people the way Starbucks, Barnes & Noble, and those XpresSpas popping up in all the airports around the country attract their loyal customers. These health clubs could be their daily sanctuary and ritual instead of everywhere else. People will then have their priorities straight and pay less for coffee and more for a gym membership.

Instead of putting "sale" signs on the windows, like a car dealership, we'll all put the quote from Plato, "In order for man to succeed in life, God provided him with two means, education and physical activity. Not separately, one for the soul and the other for the body, but for the two together. With these two means, man can attain perfection."

And just maybe, we might inspire the right people to have physical education put back into schools so our kids will grow up smarter and healthier and be able to outlive their parents.

When the American people are no longer the most obese nation on earth, it will be because they trusted the health clubs to get them fit instead of the

(See **Derek Barton Page 23**)

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...Derek Barton
 continued from page 22

gastric bypass surgeons and plastic surgeons or those magic pills, powders and diet fads that cost so much more than \$9.99 a month.

When 86% of Americans are training in our health clubs instead of the 14% who are today, it'll be because we will have figured out that we have a lot more to offer than price. Trust me.

(Industry veteran, Derek Barton, is the CEO of Barton Productions, Inc. and is available for consulting assignments. Derek may be reached by email at derek@bartonproductions.com or by phone at 310-704-3904)

Make It Fun!

Cross-Program Marketing: Using Programs to Market Additional Programs and Services

By: Laurie Cingle, M.Ed

Typical in-house marketing of club programs and services consists of flyers, posters and brochures. We cover the walls with them. We tack them on bulletin boards. We put them on easels and move them from location to location in various areas of the club. The frustrating thing about this type of program marketing is that *most members are sign-blind!* They don't read the information we post.

Once, to advertise a family bicycle ride and picnic, we hung a mountain bike from the ceiling in the lobby of the club five feet from the ground directly in the path from the front door to the check-in desk. Attached to the bike was a banner announcing the program and its details. After a few days, when a group exercise instructor asked her class participants about the bike ride, most of the members of the class said they hadn't noticed the bike in the lobby. They, like the majority of other members, simply stepped around it without a second glance. If members don't notice a bike hanging from the ceiling low enough to hit them in the head, what else can you do to create interest?

Cross-program marketing, or marketing programs through other programs, is an easy and effective way to capture the attention of members who typically don't read your printed information. Current well-attended programs and classes provide you with a forum for getting members interested in utilizing services and enrolling in other programs. Here are some examples of cross-program marketing that can work for you.

Personal Training

Identify the classes on

your group exercise schedule with a primary focus on strength training, functional training, core conditioning and flexibility training. From those classes, choose one or two each week and ask the instructor to announce that a personal trainer will be waiting for them in the weight area or flexibility area to explain and teach a specific exercise targeting a specific muscle group. For example, a triceps extension, seated cable row or hamstrings stretch. It is even better if the trainer steps into the class at the time the instructor makes the announcement so the members will know who to look for.

This is a great opportunity for the trainer to build his client base. Allow him to choose how he would like to present. One example is for the trainer to spend five minutes explaining the mechanics of the muscle group, describing how the machine works and demonstrating the exercise. Then, invite a few members to try the exercise while he assists, corrects and continues to hold the interest of the other members who are observing. During this time, the trainer informs participants of current and future group training programs and invites them to participate in these programs. He should remind the members that one-on-one personal training sessions are always available at any time and day. It is a good idea to provide the members with an information sheet that summarizes what the trainer talked about, including the list of programs offered and how they can easily enroll.

10K Running/ Walking Training

The popularity of group cycling classes has naturally created a trend for classes that utilize other pieces of

cardiovascular equipment. A "treading" class can be added to your group exercise schedule and conducted on treadmills at off-peak times. Individuals who participate in this class are vigorous walkers and runners. During this 45-minute class done to music, participants are "coached" by an instructor who not only is experienced in running 10Ks and marathons but is very motivating and creates a memorable experience in every class. The treading instructor is also the coach who works with members to improve their running and walking techniques.

Of course, the members in the class are interested in running and walking. During each class, the coach paints a mental picture of completing a 10K race or a marathon as part of the format. At the same time, the coach invites them to take this vision and make it a reality by enrolling in a group training session like "10 Weeks to 10K Success" that will prepare them for specific city-sponsored events or enrolling in a one-hour seminar on how to select proper shoes. The instructor/coach reminds the class participants that one-on-one sessions are also available.

One-on-One Nutrition Sessions and Group Weight Management Programs

The number one goal identified by club members is weight loss. Once a month, encourage your staff nutrition expert to conduct a "Nutrition Focus." Your nutrition expert may be a dietitian, nutritionist, personal trainer or fitness professional.

To conduct a Nutrition Focus, set up a table in your lobby with a sign that tells members what you are doing. Choose any food you like --common, new on the market, unusual-- and put out samples. Let's choose a baked potato chip as our example, in three different flavors; regular, barbeque and salt-and-vinegar. Prepare a product information sheet that compares the nutritional qualities of baked potato chips to other brands of traditional fried chips.

In addition, list all current and upcoming nutrition and weight management programs and how they can enroll along with any products your club sells and the easiest way they can be purchased.

As members walk by the Nutrition Focus table, the nutritionist personally invites them to sample the food. It is up to your nutritionist to engage the member in conversation. A savvy nutritionist will schedule the member for a complimentary one-on-one consultation so they can discover together which programs and services will best lead them to success. They can also be scheduled for an upcoming nutrition seminar or simply talk about the different programs offered as outlined on the product information sheet.

Massage Therapy

Invite your massage therapist into any group exercise class to conduct an 8-minute relaxing cool-down. This can be done several times a week. Allow the massage therapist to choose how they wish to present the cool-down. It is their opportunity to showcase themselves in the hopes of booking business. One example is to take the participants through a quick stretch followed by a lesson in simple, self-massage techniques. The massage therapist can walk among the class to make hands-on contact with as many people as time allows. A savvy practitioner will invite the members to purchase sessions for themselves or to give as a gift. Special coupons can be distributed to motivate them to schedule within a few days. One-on-one services and programs like Pilates, Yoga and Tai Chi can be promoted in this way as well.

Impact

There is a great advantage of cross-program marketing done in conjunction with traditional



Laurie Cingle, M.Ed

program marketing methods. The individuals responsible for delivering the programs --personal trainers, coaches, nutritionists, and massage therapists-- experience quality face-to-face contact with significant numbers of members, people they may not have had the opportunity to connect with before. We still need our flyers, posters and brochures, but the impact of personally connecting with members regarding our programs always results in an increased number of participants.

(Laurie Cingle, MEd, is a fitness business success coach and club consultant. She specializes in creating successful club program champions, developing non-dues revenue profit centers especially personal/group training and weight management, establishing club market differentiation and designing programs that result in profit and retention. Recipient of the IHRSA Fitness Director of the Year award, Laurie has led highly successful clubs to break industry records and set them on a path for long-term success in programming. She is certified through ACSM, NASM and the Coach Training Alliance. For information on club consulting, staff success coaching or speaking engagements please contact laurie@lauriecingle.com)

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What I Learned Visiting Your Club

By: Casey Conrad

Publisher's Note: Casey Conrad's two-part article series, "What I Learned Visiting Your Club," should be a "must read" for every club owner in our industry. In this article alone, you will find ideas that will provide \$\$\$ for your club for decades to come. Clearly, Casey Conrad continues to provide our industry with great stuff! Thanks Casey.

• • •

Part II

This is the second part

of an article that I began in last month's **CLUB INSIDER**, reporting on my near cross-country trip throughout the United States this summer visiting 36 different health clubs. My objective was to discover what was giving the clubs I visited a competitive advantage in a difficult economy. In **Part I**, I ran through a checklist of observations that, on the surface, can appear quite basic and mundane. But, in my opinion, they are the foundational elements that are major contributors to club success. If you haven't yet read **Part I**, I suggest you visit www.clubinsideronline.com and have a quick read.

This article is going to focus on programming observations and insights, some of which I believe offer clubs huge opportunities to pull ahead of the competition. Let's start with observations regarding group exercise, move on to personal training and wrap up with some of my personal observations.

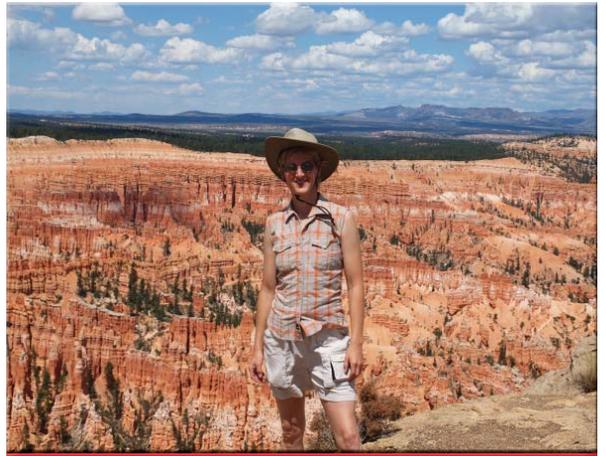
Group Exercise Observations

A majority of the clubs I visited had a licensed group exercise program at their club. This was either Body Training Systems or Les Mills. Those with licensed programs had two or three distinct studios, many of which told me they recently added or expanded to accommodate the demand. Almost without exception, those with licensed programs had higher member usage rates for group exercise.

Some of the licensed clubs did a better job of leveraging the programs. For example, several clubs specifically mentioned how they use quarterly releases of new music tracks as huge member and non-member functions. One club told me they have to take pre-registrations to avoid chaos, and with food and prizes, attendance is better than most club parties. When having these parties, some made the event a membership driver by incorporating sales elements. This includes things like bring a friend and, of course, membership enrollment discounts offered only at the party. On the surface, this may not look like any big insight, but it is another example of how using the same tools and systems with different execution can create a radically different result.

At least half of the clubs I visited now have a substantial mind/body track as part of their group exercise offerings. For some, this is why they have added a third, dedicated studio. Another popular class was Zumba, with most clubs reporting high attendance and strong referrals to the class.

The one conclusion I came to within the group exercise area was that we, as an industry, should be better leveraging the power of group exercise to drive new member sales. Specifically, why don't we offer our members



Casey Conrad Enjoys Western Territory During Six-Week Road Trip

Personal Training Observations

the ability to buy short-term group exercise memberships for friends? I'm not suggesting that you run an external ad advertising this, but instead, have it be an internal offering only. I am confident that there are many members (women in particular) who would more easily bring a referral into the club if the barrier to entry was lower.

I think the same concept could be used with corporate outreach, and in particular, with smaller businesses that probably won't subsidize memberships. It is much easier to get a group of women to join a short-term group exercise program than buy a gym membership. Aside from being an easier financial decision, a support and buddy system is built in! This should enhance the usage rates, and ultimately, conversions to full memberships. Yes, I realize that there is the potential for "abuse," where someone is sold a group exercise trial while not really being able to police whether or not they use the rest of the club, but is this really a big issue? This may be a problem in January, when the club is super busy, but probably not a big deal the rest of the year. The way I look at it is that, if they do "sneak in," using other parts of the club will increase their desire to join. Also, by limiting the purchase to first-time users only, you have limited exposure.

For many clubs, an increase in personal training revenue was helping them make up for reduced new member sales. The majority of clubs told me they had moved to 30-minute training sessions as the "norm" (versus one hour). This allowed them to ultimately get more money per hour of training and appear more affordable to members because of the lower listed session price. Many also noted that members seemed to better justify 30 minutes as a timeframe that fit their busy schedules.

Along the same lines, many clubs had introduced group personal training. Some clubs were doing very well with this while others had bombed. I was surprised at the diversity of approaches with group training but concluded that, because it was new to most clubs (relative to the length of time that we've been offering PT), the industry hasn't had the time to draw up a set of "best practices." Perhaps most surprising, though, was the overall low penetration rates our industry still has with all personal training, a mere 3-5%.

Although there are probably many factors that are influencing this low penetration rate, I believe one that is critical

(See Casey Conrad Page 28)

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...Casey Conrad

continued from page 26

is the fact that most clubs do not even try to sell personal training at the point of sale. If they do, it is usually by seasoned veterans or club chains that have a really strong sales training program. There is a lot of untapped potential in this area for most clubs, one that could result in substantial revenues. I have a lot of opinions on this, and because this article is not specifically focused on this one topic, I plan on writing some future articles on the subject (To obtain a copy of my book, *Selling Personal Training*, please visit www.healthclubsalestraining.com).

The most interesting discovery regarding personal training was the "Contract PT Model." Two of the clubs I visited did not offer the typical PT packages by number of total sessions. Rather, they only sold it by way of 6 or 12-month contracts. Therefore, the member bought one or more sessions per week but committed to either 6 or 12 months. Whatever package they chose, it was rolled into their

EFT. This not only created greater PT revenue, but more importantly, established a consistent and more predictable cash flow.

Both models I saw used only 30-minute sessions, and before you say, "Oh, that wouldn't work at my club," let me tell you that one club was a small 24-hour keycard facility and the other was a 42,000 square-foot, multi-purpose club. Both had systems in place where members were brought through their initial workout with a trainer who could also comfortably sell.

At the larger club, if the member wanted PT but couldn't afford the minimum one time per week, the trainer had a "drop close" utilizing a loading concept. Let me explain by way of example. There was a package that gave the individual one workout a week for the first two months, one workout every two weeks for the next two months and then, one workout a month for the remaining eight months. That brought the total PT workouts to 20 over the course of the year. The 20 sessions are multiplied by the unit price (for example \$35), and

then, divided by 12 to establish the monthly EFT amount. To me, this was brilliant! Yes, there is a small risk that someone will somehow stop paying you in the later months, but they have already received a majority of the sessions. If you have a good contract and accounting department, the risk is minimized.

I also gained some great insights into Program Marketing offers, but because of space limitations, I'll have to save these for another day, another article.

Personal Observations

Let me conclude with two additional personal observations. First, we can all go to conventions and learn things, but until you walk through the doors of a club, you don't pick up on the small nuances, the little things that go completely unnoticed but still have a big impact. I've decided that visiting clubs just for the purpose of seeing what they are doing is something all operators should do more often, and certainly, something I will continue to do.



Casey's Dog, Kona, Along for the Trip

Second, America is an AMAZING place! If you haven't had the opportunity to drive across this great country (or at least drive to different areas and rent a car), you should. On more than one occasion, I said to myself, "Why even bother going to another country for a vacation?" This is from someone who has been in 19 different countries. If you haven't taken your kids or grandchildren (or just yourself) to Yellowstone National Park, you must do it before you die! And, if you like adventures, climb to the top of Angels Landing at Zion National

Park. I was so impressed with the National Parks I was fortunate enough to visit that I now have set a goal for myself to get to all the larger national parks in my lifetime. In fact, I have since sold my camper and bought an RV so I can accomplish this in greater comfort! Here I come, www.VisitOurClub.com in 2010! (Casey Conrad is the Founder of Communication Consultants and the Take It Off Weight Loss Program. Casey can be reached at takeitoffweightloss@yahoo.com or caseyshealthclubtraining@yahoo.com)

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Programming Tip of the Month:

Five Steps to Programming Success

By: Sandy Coffman

You are probably experiencing more activity in your club these days. New members are interested in getting serious about their exercise program. Existing members are ramping up their usage and are ready to commit to a specific program, such as a cycling class, a group exercise class, a group training program or a racquetball, tennis or volleyball league. Dropouts over the summer months are returning, and your programming calendar needs to be energized to entice all those potential members that you'll need to grow your business. Your programs will create the experience for your members that will result in retention and growth for your business. *Successful Programs for Fitness and Health Clubs* offers **101 Profitable Ideas**, but the first half of the book is dedicated to helping you

make sure that "successful" is the operative word and to guarantee you get the best results possible.

Failure is not an option, and there is no reason for any program to fail. That is a very bold statement to make, but it is true. Some programs may be better than others, of course, but no program needs to be cancelled and none need to fail completely.

For nearly every program I have seen that has been considered unsuccessful, it was not because of the program itself. In fact, just the opposite, most programs have merit and potential. It's all a matter of how they are presented to the member. After a program was dubbed a failure, I would hear excuses like, "The members didn't like it," "The members didn't want it," "No one showed up" and "No one signed up." After asking some probing questions about the promotions, marketing efforts and

follow-up procedures, however, I invariably would find that the failure was directly caused by a lack of effort and poor follow-up by the programming staff. Any club that thinks a program need only be presented with a sign-up sheet or an announcement in a newsletter will get very good at finding excuses to explain program failure.

Many club managers and program directors don't really understand how to put together a successful program. For many of them, the programming scenario has sounded something like this:

1. Get an idea
2. Put out a sign-up sheet
3. Announce the program in the club newsletter
4. Talk it up and hope it flies.

Great programming ideas will fail with that system. Instead, let's start using a more professional approach, one I call the five steps of programming success. Using these steps to evaluate how you set up your programs, you are certain to attract a higher level of

participation and enjoy a positive effect on your club's retention rate.

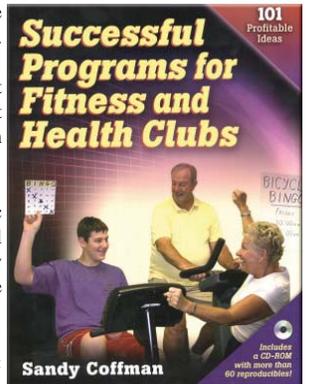
1. Define a purpose: How will it benefit the member? How will it benefit your business? For whom is the program designed?

2. Set a goal: What is a realistic number of participants you will need to make the program clearly beneficial to the club and to the specific group of members?

3. Develop a promotional plan: Go beyond the sign up sheet. Informing your entire staff, including front desk and sales personnel about your programs is key.

4. Measure the result: The program is only as good as the way it is managed. The goal of programming is retention.

5. Promote a follow-up



program: Always use one program to promote another! What will it be? Then, begin again.

(Sandy Coffman is the "Dean of Club Programming." Go to www.humankinetics.com or contact Sandy at SLCoffman@aol.com or visit www.sandycoffman.com)

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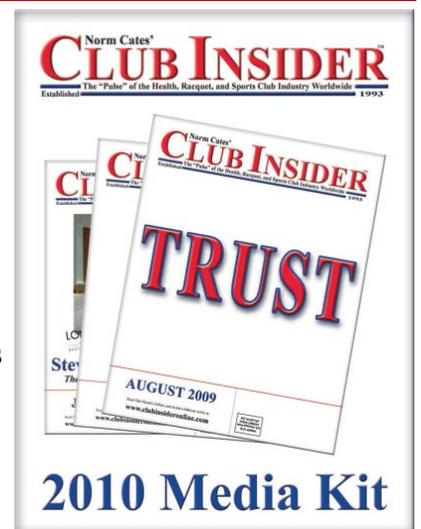
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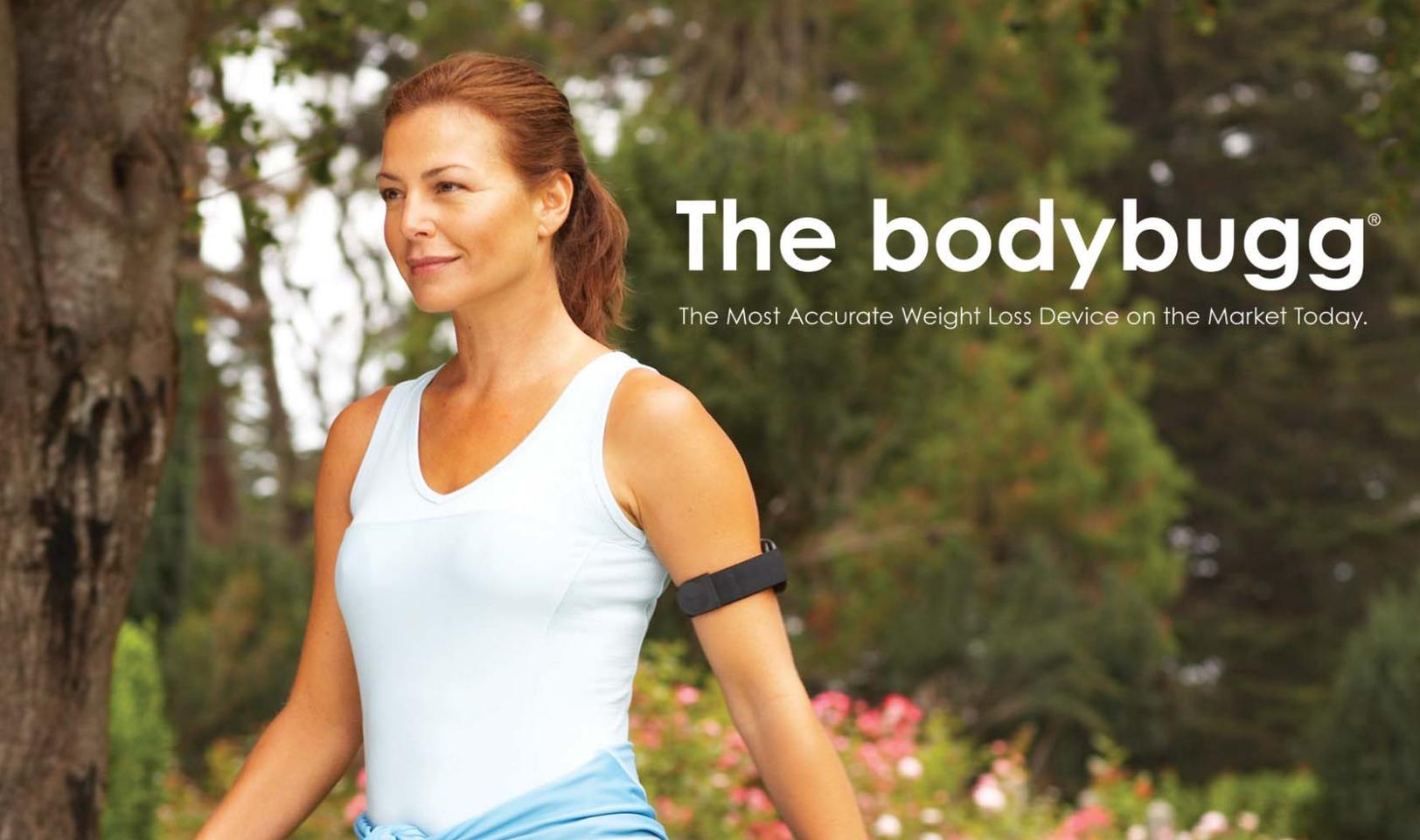
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