

PRSRD STD
U.S. Postage Paid
PERMIT #3592
ATLANTA, GA

Norm Cates'

THE Club Insider NEWS

The Pulse of the Health, Racquet & Sports Club Business Worldwide

DECEMBER 2003
VOLUME 10 NUMBER 12

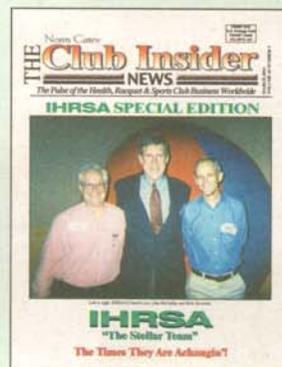
2003 In Review



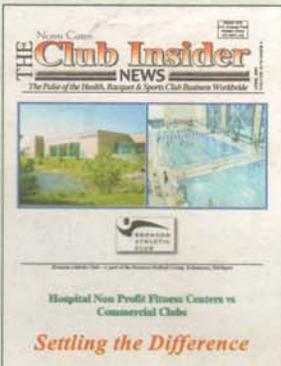
Tom Behan and Andrew Eker
Alaska's Club Force



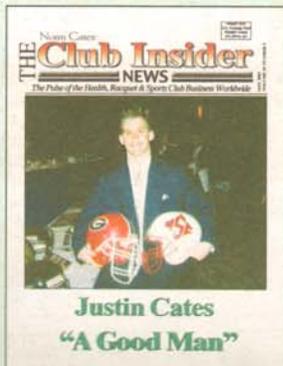
The RDV Sportsplex
Orlando's Crown Jewel Sports & Health Complex



IHRSA
"The Stellar Team"
The Times They Are A-Changin'!



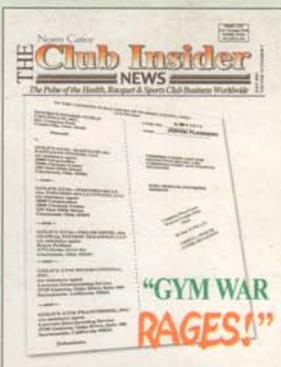
Hospital Non Profit Fitness Centers vs
Commercial Clubs
Settling the Difference



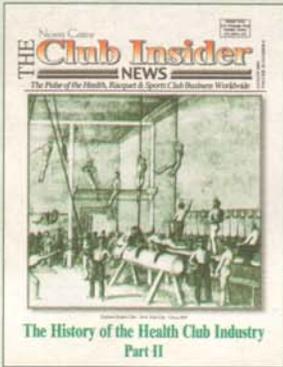
Justin Cates
"A Good Man"



The History of the
Health Club Industry
Part I



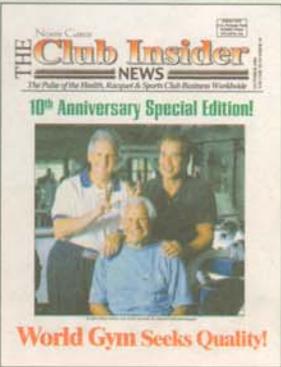
"GYM WAR
RAGES!"



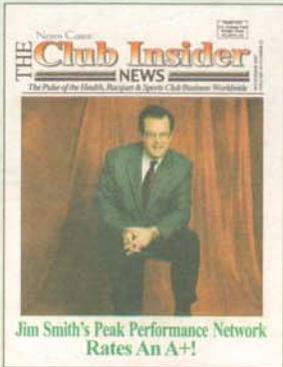
The History of the Health Club Industry
Part II



Ray Wilson Blasting "Healthy Exercise"
Into 21st Century!



World Gym Seeks Quality!



Jim Smith's Peak Performance Network
Rates An A+!



2003 In Review

Sleep well...



**...knowing
you can
depend
on us.**

For more information call 800-242-9522 or
visit us at www.rcmsolutions.com

With more than twenty years of experience in the Health & Fitness industry, we know what it takes to run a club. We provide all the necessary hardware, software and EFT services you need in one complete club management solution.

CheckFree's RCM Solutions modules are fully integrated to give you all the information you need. Managing your finances, operations and memberships has never been more simple, efficient or cost-effective. Combined with our world-class support, you can rest easy knowing that we are working for you.

Let CheckFree help you achieve true peace of mind. The nation's leading clubs rely on us — shouldn't you?

CheckFree
RCM Solutions™

Complete Club Management. Total Control.

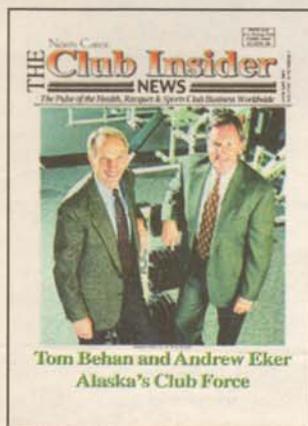
Norm Cates' THE Club Insider NEWS

"2003 In Review"

By: Norm Cates, Jr.

"2003 In Review" will be presented in Parts I and II in this and our January, 2004 edition. In this review we will revisit the cover stories for each month briefly, and we will review the major news items for each month. I would like to remind you that we welcome your suggestions about important news items we may have missed during the year, and you may submit such a reminder to me at: clubinsidernews@mindspring.com. I will do my best to review the item in a subsequent edition.

JANUARY 2003



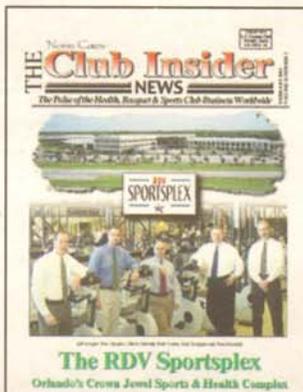
Tom Behan and Andrew Eker, the co-founders and owners of the Alaska Clubs, were on our Cover for January, 2003. This was a terrific story about two of America's top club operators and pioneers way up in Alaska. Tom Behan and Andrew Eker have been partners for years and have developed the dominant club group in three of Alaska's biggest cities. They have a total of 13 locations ranging in size from 12,000 square feet to 108,000 square feet in Anchorage, Fairbanks and Juneau, Alaska. Andrew Eker is the President of the Alaska Clubs, is the "hands-on" operator for the group and one of the best in the business. Tom, a former banker and financier, is the "deal-maker". Tom Behan has also served well on the IHRSA Board of Directors and currently is the President of IHRSA for 2003 and 2004. Recently, Behan and Eker acquired the rights to 10 of "Ray Wilson's Healthy Exercise" franchises and control the rights to "Healthy Exercise" in Alaska and the states of Washington and Arizona.

On January 1, 2003, club industry veteran, Alan Schwartz stepped into the role of Chairman, CEO and President of

the United States Tennis Association, a group that has over 650,000 members. Schwartz and his son, Steven, are premier club operators of the Tennis Corporation of America. Red Lerille and his wife Emma, celebrated the completion of their 39th year of operation of Red Lerille's Health and Racquet Club (known as "Red's") in Lafayette, Louisiana. If you have never been to Red's you should go there. His club, in my opinion, is the #1 independent club in the world, bar none. Paul Toback took the helm at Bally Total Fitness, replacing Lee Hillman, who was said to have resigned. Bally is lucky to have a bright entrepreneur like Toback to have stepped in, but Bally faces lots of challenges, including significant debt and somewhat stagnant new membership sales numbers. But, at the same time, Bally has moved forward, leading the industry, in ancillary sales of personal training and a broad array of consumer products including nutritional items and apparel.

FEBRUARY 2003

The world class RDV Sportsplex and Karl Droppers and



his team were our featured cover story for the month. Let me put it this way. I have had the blessing of traveling the country from coast to coast and have never seen any facility that included the impressive mix of activities this 365,000 square-foot mega facility offers. Not only does it have a 100,000+ square-foot health and fitness complex, it has the Orlando Magic NBA Basketball training facility and a complete indoor ice-skating complex. Shortly before this story was published, the RDV Sportsplex had just added a 7,500 square-foot indoor roller blade complex called "Boards and Blades" that was going gang-busters at press time.

Bob Vande Weide is the man who combined his vision for a major and totally comprehensive club along with the vision and experience of club industry veteran, Karl Droppers, to dream up and create the RDV Sportsplex. Van Weide stated in the interview that his personal rebirth in fitness had shaped his thinking significantly. The result: the 365,000 square-foot, \$50 million RDV Sportsplex. If you ever get to Orlando, Florida you have got to see this place to believe it!

Our February, 2003 edition featured Paul Toback of Bally Total Fitness. In this article we published a historical review of Bally Total Fitness along with Toback's interview. In the historical review I chronicled the growing pains the giant BTF had experienced in the 80's and 90's while it was finding its way, and I credited Lee Hillman with accomplishing something no one else had ever been able to accomplish with the company. That was to make Bally Total Fitness not only the largest club chain in the U.S., but having done so with the establishment of company standards and rules that would not tolerate violation
(See 2003 In Review Page 8)

Health Club Leaders Launch Butterfly Life

Butterfly Life, a new health and fitness franchise designed to change the way women realize weight loss and healthy living, was launched with the announcement of the sale of 5 franchises in Northern California and Atlanta, Georgia. Backed by industry executives with more than 100 years collective experience in fitness and brand expansion, Butterfly

Life offers a unique, integrated platform designed to inspire women to adopt healthier choices throughout their lifestyle.

A first-of-its-kind concept in women's health and weight management, the Butterfly Life franchise brings together a designed-for-women fitness environment with resources that address the nutritional, fitness and psychological aspects of

healthy living. Members follow a simple, yet comprehensive exercise program promoting healthy living solutions, including an innovative 30-minute circuit, custom fitness equipment and group exercise classes with nationally certified instructors.

"With the introduction of Butterfly Life, we bring women an easy and comprehensive path to healthier living," said Bruce Fabel, President, Butterfly Life. "The Butterfly Life concept goes beyond the traditional components of weight loss - nutrition and exercise - and combines these with psychology,

beauty, and fashion to offer a 360-degree approach to healthier lifestyles for women, a model unavailable before now."

Through its unique LifeVision platform, Butterfly Life offers members a series of 30-minute fitness classes and 15-minute informational and motivational lectures created by members of the Butterfly Life Advisory Board. An innovative, custom-designed, multi-media projection display system in each club, LifeVision technology showcases instructors and lecturers in a life-size presentation format and provides its Lecture Series on VHS and DVD

for members to use outside of the fitness center.

Tapping the expertise of specialists across the country to create the Butterfly Life Advisory Board, Butterfly Life welcomes Beth Shaw, president and founder of YogaFit Training Systems Worldwide; Dr. Jenn Berman, renowned psychotherapist, sports physiologist, and author; Cecily Guest, a respected fitness instructor and expert; and Lisa Bellini, a well known registered dietician and sports and cardiovascular nutritionist.

Unlike other women's-
(See Butterfly Life Page 4)

Inside The Insider

- Electronic Funds Transfer (Protect it or lose it)
- Change By Football
- "small is GREAT!"
- Making Weight Loss FIT Into Your Fitness Club

ELECTRONICS FUNDS TRANSFER

(Protect it or lose it)

By: Mike Uretz
CEO - World Gym, Inc.

I can't think of anything that has been more revolutionary and has energized this business more than the adaptation of electronic funds transfers (EFT) to the payment of gym membership fees. The importance of this tool to the prosperity and ultimately the survival of the typical gym or fitness center can't be overestimated. In the old days, gym owners had to make hay in the sunshine of January, February and to a lesser extent, September and October, in order to save enough money to survive July, August and part of September. Everyone in our business knows that July, August and September are traditionally months in which people do not join gyms, and if they are already members, they tend to use the gyms much less than at any other time of the year. The doldrums of summer always brought on panic because the traditional membership patterns were non-existent.

The problem with this scenario is that most gym owners collected money in January, February and September and October, but they saved none of it in order to survive July and August. I can't tell you how many gym owners I've had occasion to deal with over the years who have not been able to survive 2 summers in a row.

Payments by use of checking account electronic funds transfers mostly started in the 1990's and really revolutionized gym operations, and to a great extent, survivability.

Instead of up front cash payments for one year, gym owners signed up members on an electronic funds transfer system that allowed a member to pay over a 12-month period, and the gym owner could count on that stream of payments throughout the year. This had the effect of guaranteeing gym owners that payments would be received in August, even though new membership sales would be down. It's a little bit like the "level pay plan" that was introduced by the utility companies several years ago. The utility companies guaranteed you a level payment throughout the year so that during the winter months, when heating bills were sky high, your payment would be lower, and, therefore level for the entire year. The electronic funds transfers are a fantastic boom to gym owners and in many cases, an easy and convenient way of paying for gym memberships for the average middle class person.

What I'm going to say now is a little like talking about a fart in church. You can smell it, but you don't want to talk about it. The abuses that have come about with the electronics funds transfers have been serious and have now reached the radar screen of the state legislators. The typical scenario is that the member signs up for a 1-year membership and the payments for that membership will be transferred to the gym on a monthly basis over the course of a year. Problems begin when the gym owner continues to collect monthly dues from the member even though the member has made no agreement with the gym

to continue the membership after it expires after one year.

The typical gym contract states that after one year, the membership rolls over on a month-to-month basis until the member takes active steps to cancel the membership. What has happened is that thousands of people who have assumed that their membership expired and have consequently stopped going to the gym, continue to be charged on a monthly basis for a gym membership that they don't use. What happens is that approximately 6-8 months after their gym membership has expired, they discover that their checking account has been dinged every month for the gym membership. This, of course, causes a huge resentment on the part of the members, and they call the gym owners and staff and demand that the charges cease. The typical gym owner states that the contract contains a provision that the gym membership continues on a month-to-month basis until a member makes affirmative moves in writing to cancel the membership, and they will continue to charge that membership on a monthly basis. Because there has been so much resentment engendered by this automatic renewal of mem-

berships, the legislators are busily involved in dreaming up new ways to prevent gym owners from collecting these monthly payments via electronic funds transfers unless they are accompanied by stringent new rules.

It's been my opinion that the only way to avoid laws that we find objectionable in the gym business is to take affirmative action ourselves prior to the time the legislators get involved. Again it's my experience that these legislators don't necessarily want to pass these laws, but they are hounded by their constituents because of perceived deceptive practices on the part of gym owners. A simple solution to the problem would be to change our typical gym contract to read that memberships are 12 months only, and at that time the EFT transfers will cease unless the member in writing indicates that he wants to roll it over. The dirty little secret in all of this is that many gym owners don't want to change that provision in the contract because, frankly, gym members forget that their memberships will continue on a month-to-month basis, and the owners can keep collecting these monthly fees. Not only is this unethical, but it is going to cause



Mike Uretz

a huge rupture in the trust the gym business has built up over the years between owners and members. In the worst case scenario, we are going to have to deal with draconian laws passed by state legislatures that are being touted by consumer groups. Believe me, we don't want that type of solution to the EFT golden goose. If we continue to allow the deceptive practice of rolling over EFT payments after the membership has expired, I can guarantee that within a few years we're going to kill this goose and the golden eggs that it has laid.

Let's take the time to police ourselves before lawyers and legislators take it out of our hands with litigation and laws.

...Butterfly Life

continued from page 3

only fitness centers, Butterfly Life offers state-of-the-art, variable resistance equipment designed and manufactured specifically for women. The selectorized resistance equipment keeps pace with members' progress, allowing members to avoid a plateau in their fitness routine and achieve ongoing, measurable results.

Management Team

Led by industry visionaries, the executive management team has deep expertise in the development and global expansion of women-focused fitness facilities and brands.

Key management includes:

● Mark Golob, Founder and CEO, also serves as Founder and CEO of Linda Evans Fitness Centers. Previously, Mr. Golob was President of Women's Workout World and served as Vice

President of Marketing for 24 Hour Fitness.

● Bruce Fabel, President, brings to Butterfly Life a proven record of successful and profitable business expansions and global brand development from companies such as Nike, Calvin Klein, and Warner Bros. Studio Stores.

● Thomas Gergley, Board member, is President of Linda Evans Fitness Centers and previously served as President of the New York Health and Racquet Club. An exercise physiologist by training, Mr. Gergley helped to guide 24 Hour Fitness to phenomenal growth in the 1990s.

● Mark Mastrov, Partner and Director, is the Founder and CEO of 24 Hour Fitness Worldwide and widely regarded as one of the most experienced and powerful figures in the fitness industry.

● Denny Marsico, Executive Director of Fitness Services, brings years of expertise to Butterfly Life in developing fully integrated exercise, diet and health programs for women,

serving recently as Fitness Director for 24 Hour fitness and Linda Evans Fitness Centers.

● Sharon Simon, Franchise Sales Executive, began her marketing career during the early days of 24 Hour Fitness and leveraged her operations and marketing expertise to establish her own successful fitness franchises.

● Susan Zager, Director of Marketing, brings to Butterfly Life significant experience developing cohesive and compelling marketing programs that have contributed widely to company growth while at Women's Workout World and Linda Evans Fitness Centers.

Franchise Offer

Butterfly Life's franchise model provides a unique opportunity for small business ownership at a low cost to entry-franchise costs are as low as \$29,500 and include all 30-minute circuit strength equipment and Group X Fitness Accessories. For information, visit www.butterflylife.com.

Norm Cates' **THE Club Insider**
NEWS

Established 1993

The **Club Insider** News is published in Marietta, Georgia. Those wishing to reproduce any portion of the **Club Insider** News may do so provided it is not for resale in other publications. Reprints for commercial use will be provided upon request.

PUBLISHER AND EDITOR: Norm Cates, Jr.
COMPUTER LAYOUT SPECIALIST: Justin Cates
COMPUTER OPERATIONS/WEBMASTER: Justin Cates
PRINTING AND MAILING SERVICES: Walton Press

www.waltonpress.com

Box 681241, Marietta GA 30068-0021 • (770) 850-8506
Fax (770) 933-9698 Or Email: clubinsidernews@mindspring.com
www.clubinsidernews.com

●Norm's Notes●

●Here comes our 123rd monthly edition as we roll into our 11th Year of Publication full speed ahead! Hold onto your hat as this "2003 In Review" Edition Rocks!

●First, let me report on some news that has ramifications far and wide. The news is that Bally Total Fitness has announced that it is going to more "well-rounded" subjects in their advertising thrust for 2004. Translated, "well-rounded" means: "Average people in their ads that won't scare off the millions of average people or intimidate the de-conditioned and will actually give them the idea, 'Hey, maybe I will go and check out Bally Total Fitness after all these years because now I know they have people other than "hard-bodies there!" This decision, I am sure, was made pursuant to recommendations by MARTIN PAZZANI, new BTF Chief Marketing Officer. And, I know Bally Total Fitness did their homework, because they

had one of their researchers call me. I spent well over one hour educating her about why BTF and everybody else in this industry needs to go in that direction. I am glad they listened. All I can say to PAUL TOBACK and Martin Pazzani is CONGRATULATIONS and that I am very happy to see the direction they are going because I firmly believe that Bally spending a portion of its \$60 million annual advertising budget to reach the 170 million Americans who really need exercise whom they had not been reaching will produce significant new membership sales if done well and I know they will be done well. I also think this decision will help the entire industry because of the power and mass of BTF's marketing. I am sure that some of those "intimidated/de-conditioned" people that decide to get up and go look at Bally Total Fitness, will also take a look at other health clubs; yes, even clubs that

compete with Bally. Moreover, I think this single announcement represents the best evidence yet of a sea change in the industry away from "hard body" marketing to the 18 to 34 year-old set, to marketing targeted to the 35 to 80-year-old set. IHRSA independent club owners have complained about Bally's "hard-body" advertising for years. Now this. Never mind that it took depressed new membership sales (-7%) at Bally Total Fitness to make this change happen; it is still a terrific decision and I for one want to congratulate Paul Toback, and the entire BTF Executive Management Team on having made this move. And, I have learned that Bally Total Fitness has taken steps to bolster the SERVICE SIDE of their business with the recent hire of ANITA AUGUSTINE to a newly created position of Assistant Vice President of Training and Development. STAY TUNED!

●Mark your calendar and get on the phone to book cheap airfare to Las Vegas for March 22-25th as IHRSA's 23rd Annual Convention and Trade Show will be held. Some really special things will be happening at this event in addition to the great educational opportunities and always world-class IHRSA Trade Show. I want to mention first that the 50+ year health club industry pioneer and icon, RAY WILSON, will be honored by IHRSA with its DALE DIBBLE Distinguished Service Award. And, RUDY GIULIANI, former New York City Mayor during the 9/11 attacks, will receive IHRSA's Person of the Year Award and GARY HEAVINS, Founder of Curves, will receive a new annual award, the IHRSA Visionary of the Year Award. Then, DO NOT FORGET that I will be hosting The Club Insider News 10th Anniversary Party on a date and time yet to be determined, but for sure either March 22, 23, or 24th. This will be a two purpose party as we will celebrate Ray Wilson's Award at the party as well. A lot of you don't know this, but I have a company in Atlanta called: 'Norm Cates's Special Events, Inc.' that is dedicated to the planning, production and delivery of world-class parties. I will promise you this: The CLUB INSIDER News 10th Anniversary Party will be one you will remember. STAY TUNED. Also, check out page #16 of this issue

for information on IHRSA's 23rd Annual Convention and Trade Show.

●Word is that Iron Grip Barbell Company, owned by a couple of lawsuit happy fitness industry vendors, has lost one of its patents. Stay Tuned!

●CARLOS DIXON'S Sol Rac Impact Design Company is one of our advertisers and you will see his ad on page #19 in this edition. Carlos is a small businessman who offers a tremendous service. Yet, he tells me that even though he gets lots of responses to his advertising in The CLUB INSIDER News, he finds that people just do not understand the value of being able to renew, energize and beautify their clubs with his wall art. He says he finds that clubs he goes to to prepare bids are filled with hundreds of thousands of dollars worth of \$5,000 treadmills or machines. These same people balk at his price to convert an entire room to a different, colorful environment. Check out Carlos' ad and visualize what you could do with your club to make it more attractive 365 days per year to the people you are trying to make happy as members and as importantly, the people you bring in for the first time ever on a membership sales tour and presentation. I said to Carlos during our recent conversation, "Because of cost control, some club owners can have a tendency to be penny-wise and pound-foolish" when it comes to their obsession and myopic quest for more and more fitness equipment, while at the same time, ignoring the ambience, color, lighting and general 'feeling' of their club. Think about it folks. I know there are hundreds of you out there that are thinking, "What can I do to make my club better, more competitive and more likely to keep the new members I get and attract more new members?" Sol Rac Design Impact by Carlos Dixon is your answer. See his ad on pg.19. Also, see pg.16 for DR. BOB ARNOT'S comments on exercise environments.

●"ATTENTION ALL HEALTH CLUB INDUSTRY PEOPLE! 'Alleged Bottom Feeders Alert! BRIAN HOMAN... remember the name. Homan is the guy who collected millions of dollars on EFT services through his company Tools Management, Inc.-based in



Norm Cates, Jr.

Coral Springs, Florida and when his company went down, at least 8 club owners lost over \$200,000 to Homan. I have been informed that my comments last month about Homan needed clarification. (See Norm's Notes Page 7)

The Club Insider News Contributing Author Team

The 2003 CLUB INSIDER News 2003 Contributing Author Team is listed below. Our thanks to all of our authors for sharing their expertise and taking the time to write for The Club Insider News.

●Karen D. Woodard - President - Premium Performance Training (303) 417-0653
 ●Dr. Gerry Faust - Founder and President - Faust Management Corp (858) 536-7970

●Michael Scott Scudder - President - Southwest Club Services (505) 690-5974

●Casey Conrad - Communications Consultants - (800) 725-6147

●Rick Caro - President, Management Vision, Inc (212) 987-4300

●Colin Milner - V.P. Sales/Marketing - Founder & CEO International Council on Active Aging (866) 335-9777

●Rudy Fabiano - President and Design Director - Fabiano International (973) 746-5100

●Tom Lincir - President - Ivanko Barbell Company (310) 514-1155

●Pete Moore - President - FitnessInsite - email: Pete@FitnessVentureGroup.com

●Paul Goldner - President - Red Hot Sales (914) 282-4682

●Bonnie Patrick Mattalian - Principal - The Club and Spa Synergy Group (732) 236-2273 or bonniepatmat@aol.com

●Ronda Gates - President - Lifestyles - (800) 863-6000

●Donna Krech - President - Victory Management, Inc. (419) 991-1223

10 YEARS and Counting! Subscribe Today!

Here Is Why:

- Norm's Notes With Latest

Industry News First

- Great Articles To Help

You Improve Your Club's Profit

- "Tell-It-Like-It-Is" Editorials

Norm Cates'®
THE Club Insider
 NEWS

Subscription Form

Name(s): _____

Attach List For Additional Subscriptions

Club Name: _____

Address: _____

City, State, Zip: _____

Telephone: _____

___ \$119 (U.S.) - 18 Issues (Includes Canada)

___ \$39 (U.S.) - 12 Issues (Includes Canada)

___ \$199 (U.S.) - International (One Year)

Check Enclosed or Charge To:

___ MC ___ Visa ___ AMEX ___ Discover ___

Card # _____ Exp. _____

P.O. Box 681241, Marietta, GA 30068-0021 or Fax: 770/933-9698

Call 770/850-8506 or E-Mail: clubinsidernews@mindspring.com

Change by Football

By: Justin Cates

(Publisher's Note: My son, Justin Cates, is a freshman at The University of Georgia. This article from his English class earned him an A, and it carries a terrific message for young men and women about football and the value of weight training.)

Football has been in the heart of every true American sports fan since the beginning of the 20th century. We play the game differently in America than in any other country; that makes the game our own, and that is why it is so revered. The great game of football has been in my family since the 1930's, and I continued that tradition with my own football career. During those years, the game changed me in every way possible, instilling in me characteristics such as courage, discipline, leadership, and countless others. These newfound qualities molded me into what I am today, and I will carry them for the rest of my life because they will lead me to success as an adult, as they did when I was a young man.

My life of football began because of my father, who played college football for North Carolina State University, class of 1968. Two of his teammates went on to be head football coaches at the college level: Chuck Amato, who now coaches his alma mater, N.C. State and Jim Donnan, who coached right here at The University of Georgia. My father loves the game, and he has successfully passed that love on to me. When I was a child, football was always on the T.V. Over time, I wanted to be one of those men on T.V., but I was too scared to play such a rough and violent sport. Then a day came that changed my life forever; the day my father took me to a junior high school football-recruiting meeting. We arrived and I listened to the head coach give his speech about why we should play. He then announced that one of our games would be on T.V. My dream was to play football on T.V., and here was my chance, so I told my dad I was signing up. From then on, nothing would ever be the same.

I began my football career as a 93-pound weakling. I ended it as a 5'8, 160-pound

machine, who benched 300 and ran a 4.5-second 40-yard dash. That was a very big change for me in only six years, but that was only my physical change. Football and weight-training did that, but by teaching me traits that have helped me succeed in anything that I set my mind to; it also did so much more.

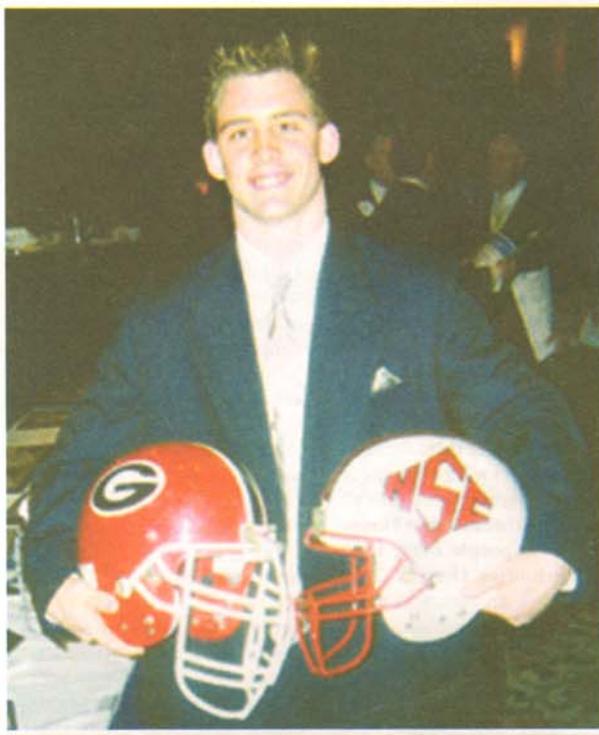
The first characteristic I began to possess was courage. By taking the chance and stepping onto that field, I showed courage. Since that day, I have faced situations in football and in life that have required courage. In the first game of my ninth grade season, I rushed for 160 yards and two touchdowns on 6 carries; however, during the second game, I broke my left leg on a run around the right-end. X-rays did not show the fracture until three weeks later, so in the meantime, I continued to play with the injury because I did not want to leave my teammates. Some say I was courageous, and others say I was not thinking straight; maybe it was both. However, this event has caused me to never quit at anything, no matter how hard or painful, which in turn has led me to success.

Having courage can be important, but it is insignificant compared to having discipline and leadership. Before I started playing football, I was undisciplined and a horror at school. It did not matter if my teachers were talking; if I wanted to have a conversation with someone I would. At football practice, if I talked while a coach talked, I ran; that taught me very quickly to be quiet and show respect, and that undisciplined trend of talking while others are speaking came to an end. When it did, I started learning more. I would listen instead of talk; that made everything a lot easier for me, and in turn, my grades drastically improved. In the future, when I am in business meetings, I will not cause disruption by having pointless, out-of-turn conversations, but I shall speak only when I have something important to say or have an idea to contribute. That will allow me to move up in the ranks of the corporate hierarchy.

Discipline breeds success, but having leadership skills can accelerate the process. Football requires leaders, and

society does as well. I always tried to be a leader for my football team. I was always first in line for drills. I always got my teammates pumped before games, and I always offered a shoulder to lean on if any of my teammates needed something. I was what politicians call "one for the people". But, this carried over to the classroom as well. I'm almost always on time. I'll be the first one to quiet down when the teacher begins to speak, and I try to contribute as much as I can to a class discussion. I enjoy offering my opinions on things, with the hope of possibly swaying someone's opinion, especially if theirs is negative. How is this any different from being the President of a multinational, billion-dollar corporation? As a President, people would look up to me, and my decisions could be worth millions and would affect the well-being of my employees. I would have to persuade my employees to think of things as I do. Otherwise, they would not do their job to the best of their abilities, and collectively, the company would be weak; the team would be weak. That makes the skill of being a leader a very important commodity to have.

I never really applied what I learned on the football field to my life until halfway through my sophomore year of high school, and it showed. During the first two years of high school, my grades were under par, and I was getting nowhere fast. At this point, I was still hoping for that five-million dollar signing bonus and a spot in a Nike commercial to carry me through life. But, that was not reality. The reality was that I was doing poorly in school. With a 3.2 GPA, having a decent college accept me was not guaranteed. After applying a combination of skills that I learned on the practice field, including some that were not mentioned above, to my everyday life, I was able to boost my GPA to a 3.7 in one year, which allowed me to gain acceptance by all three of the colleges to whom I applied. Ultimately, I achieved my original goal of attending school at The University of Georgia, and I believe if I stick to the lessons I learned because of football, I will see more success down the road.



Justin Cates

Though I am successful now, I wonder where I would be had I not changed my ways several years ago. I have personally watched some of my closest friends throw their lives away: drugs, alcohol, and just plain laziness are the demons that brought them down. Laziness had a grasp on me during my first two years of high school, and drugs could have been a possibility because of how easy they are to acquire. Life as I know it would be over, had I been depressed about something and decided to consume some illicit drug. However, every time I get depressed, I always find a way to shut it out. I have the discipline not to do drugs, no matter how bad I feel. I have the courage to

say no and to deal with my problems without help from drugs. I guess I can even say that I lead by example by saying no when asked to do drugs, even when I am with friends. Principle, when instituted correctly, is very hard to break, and I think that is how it is in my case.

Therefore, by instilling these characteristics in me, football has changed my life, and I am better off having played such a great game. Maybe America sees something in this game; maybe America sees what I see. Football is a game that can institute change in your own life; therefore, it is unique and different from any other game ever played.

Make
It
Fun

...Norm's Notes

continued from page 5

cation. Even though Homan's Tools Company went down-the-tubes and there are at least 8 club owners out there that lost over \$200,000 to Homan, he apparently thinks its O.K. to get back into our industry and nobody will remember that he is a crook. Well Brian...I've got news for you. **I remember and I am very sure that those 8 club owners that you kept, in one case, over \$70,000 from the club's EFT and another whose \$40,000 was never paid to the club, have not forgotten.** The clarification? It turns out that Brian Homan is not going to be an "owner" of the club to be opened 'All About Family Fitness' in Coral Springs; he will just be the **General Manager**. So, this is to the **investor/owners** of this new club. If you employ this guy you don't stand a **snowball's chance in hell** of getting any of your invested money back. Moreover, by employing a person that should probably in the 'Pokey' for his conversion of these funds, you will be sending a signal to your community that

YOU may not be on the up and up and people IN YOUR COMMUNITY will start to talk about whether it will be safe to buy your club memberships that you surely will need to sell in order to make this new club a going concern. It will be like trying to run with both feet in two buckets of dry cement. Think about it investors. And, when I find out who you guys are for sure, I can assure you investors that YOUR NAMES will be prominently published in this newspaper on a frequent and regular basis as the subject of our "Alleged Bottom Feeders Updates!" STAY TUNED EVERYBODY!

●**JERRY NOYCE** is one of the **nicest gentlemen** I've ever gotten to know in this industry and it does my heart good to see how well he has done and is doing with the turn-around of the now giant **Health Fitness Corporation**. Jerry, a former **CLUB INSIDER** News cover subject with his Minneapolis-based Management Team has just lead the completion of the purchase of the business assets of the **Health and Fitness**

Services Division of the giant **Johnson & Johnson Health Care Corporation**. The acquisition of the J & J Division cost **HFIT \$4,785,389** and should be a huge boost for the future as HFIT has now grown to more than **385 corporate and hospital sites** that it now manages. **Congratulations Jerry Noyce and HFIT Team!**

●**JASON CONVISER, Ph.D., FACSM**, formerly with **Bally Total Fitness** for the past six years, is a terrific asset to the health club industry. During his six years at BTF Jason successfully closed over **\$50 million** in contracts for Bally Total Fitness. Jason, a **25-year club industry veteran**, is now reviving his long-time consulting firm, **JMC & Associates**. Jason is now available for assignments and may be contacted at: **JMC & Associates. (847) 242-0635**. Good luck Jason!

●**ROGER SEMSCH**, the owner of a gym in the St. Louis, Missouri area, has sounded another "Alleged Bottom Feeders" alert, and we are watching this situation carefully. Last month, I reported

about how I had gotten through to **Assistant Attorney General KIM HADDIX** in **Missouri** to suggest that her organization needed to respond to concerns expressed by already open health clubs about illegal competition in the state. Roger writes in a letter dated November 18, 2003, that has yet been responded to by Ms. Kim Haddix and I quote: "I am enclosing a copy of an advertisement flyer for one year "Founding Membership" to a facility which is not yet operational, and directs prospective members to a "Preview Center". This would appear to be clear evidence of pre-sales. Please immediately confirm escrow of all funds collected through pre-sales as required by Missouri law. If these **Gold's locations** are not in compliance, then they are financing extremely rapid growth through criminal means: and each passing day causes inequitable **damage and loss of opportunity to law-abiding businesses.**" End quote. **STAY TUNED as we investigate!**

●Over Thanksgiving weekend, I had the chance to visit one of three **Fit For Life Centers**

in Fort Worth, Texas. I can tell you that after working out there and visiting with two of the club group owners, **ROBERT DYER** and **KEN HOOVER**, these gents **operate a first-rate health club, that their members obviously love.** The 13-year-old Fit For Life City View location I visited is just 12,000 square feet, but when you walk in you get what I call that "Red Lerille's" feelin'. By describing it as a "Red Lerille" feelin' I mean that when you walk in you get a happy, warm, friendly feeling from the staff and the obviously happy members. During a brief walk through with Ken Hoover, he pulled several sweating members aside and asked them how long they had been members there. The responses: **12 years, 13 years, 11 years, etc.** And, it did not escape me that the one-and-only, **MICHAEL SCOTT SCUDDER**, is also a partner with Robert Dyer and Ken Hoover in the club. The club has dozens and dozens of cardio machines, selectorized machines and free weights, but no group exercise room. However, in the same shopping (See Norm's Notes Page 26)

The day begins with **opportunity.**

At the end of the day,

all that matters is **results.**

The **difference is measurable!**



A Consulting Firm Specializing in
 Marketing and Membership Sales Since 1981.

800.428.3334

info@sales-makers.com

www.sales-makers.com

Phone: 845-736-0307

Fax 845.736.0508

**Book Now
 for a personalized
 3 Day On-Site
 Workshop at
 your Club!**

...2003 In Review

continued from page 3

by any of Bally's 20,000+ employees. In effect, Hillman inculcated within his terrific Executive Management Team the belief that if Bally was to make a successful run at the long haul, it should and must begin to behave in a manner that was lawful and ethical at all times. And, Hillman stood his ground and lived up to his promise by dealing with those who did not comply in a swift and sanctioning manner. His successor, Paul Toback has since been named as Chairman as well as CEO and President of Bally Total Fitness and the company has seen a continued increase in its ancillary services, such as personal training. But, it has been learned that Bally Total Fitness has not reached its 2003 membership growth goals and that is a problem that Toback is diligently working on as I pound these keys. My money is on Paul Toback and his Executive Management Team. Not long ago, I was contacted by a marketing research firm request-

ing some time to pick my brain and I granted the lady well over an hour on the phone. I told her the same thing I am going to tell you. If Bally Total Fitness is going to rise up above their membership sales numbers challenges, they must begin to think and market "outside the box". When I write, "outside the box", what I mean is that for years and years since the beginning, Bally Total Fitness, 24 Hour Fitness, L.A. Fitness and many others across the land have focused their marketing efforts on the 18 to 35 age group. As the "Baby Boomer" generation has matured, more and more people are moving out of that age group. What is happening is that this continued myopic focus on just that age group is causing Bally Total Fitness and any other company that continues that sole focus, to begin to run out of prospects, just like Ray Wilson predicted in his writing in our November edition. I told the BTF research lady and I want to tell you too, I agree with Ray Wilson. All clubs everywhere need to begin to focus on the older, de-conditioned market that right

now is screaming for our help. There are 170 million of them out there. Clubs (including Bally Total Fitness and 24 Hour Fitness, etc.) need to ditch the bikini bathing suit ads and the ads showing a woman in her underwear (also covered in our February edition) and move to ads that will help their club appeal to the mainstream population, not the ever shrinking and dropping 18 to 35 age group. It is as simple as that.

Also in our February issue, we reported that sales at Life Fitness had reached \$450 million annually. Rick Caro had assembled a group of three prominent club industry financial analysts for the IHRSA 2003 Convention in San Francisco. Geoffrey Dyer had announced the finalization of plans for the 17th location for his Lifestyle Family Fitness chain in Tampa/St. Petersburg, Florida. Ken Navarro, CEO of HealthTrax announced their 41st location and that Dean Wallace, IHRSA Board member, had left the Courthouse chain in Salem, Oregon. (Dean is now the COO of a West Coast club chain called the Siver Club

Company.)

We also published a very timely article by Michael Scott Scudder entitled: "As I See It"- "Raising the Bar In Advertising." Ray Gordon, the Founder and President of Sales Makers, provided an article entitled: "What An Opportunity" in which he focused on how prime the entire population has become for health and fitness. Casey Conrad provided us with an update on Healthy Inspirations having added doctors to its Licensee list. Pete Moore, the President and co-founder of Fitness Insite, provided an article entitled: "Thinking Outside the Box" An "Exercise" For Success where he suggested that club owners may gain from looking at other industries when seeking new ideas for their club management challenges. And, we published a "Body Training Systems" update about how Rich Boggs' and Ray Irwin's terrific company was going. In that update Stephen P. Roma, the Chief Operating WOW!zer of WOW! Work Out World and Jason West, the Co-owner and Manager of the North Columbus

(Georgia) Athletic Club, just raved about Body Training Systems.

MARCH 2003



Our March, 2003 Cover featured three of my favorite people in the health, racquet and sportsclub industry. These three, as a Team, have spent their careers making this industry more professional and better in every way. The cover subjects? Big John McCarthy, the highly esteemed Executive Director of IHRSA, Chuck Leve, the personable IHRSA Director of (See 2003 In Review Page 10)



SPRINGFIELD CORPORATION

Full Line Stocking Distributor Providing Quality Sales and Service for the Club and Hospitality Industries Since 1981

THE SUPPLIES YOU NEEDED ...
YESTERDAY!!

Towel Purchasing & Resupply

- ✓ Health & Athletic Clubs
- ✓ Satisfaction Guaranteed

- ✓ Quality Products
- ✓ Competitive Prices



Commercial Products
 Authorized Distributor

** Look For Upcoming Specials from Springfield Corporation in Club Insider **

iHRSA

Associate Member

Call (800) 241-2081

David G. Smith x122

For Answers and Current Products List

SPRINGFIELD CORPORATION
 ATLANTA, GA
 (770) 729-0700 x122
 FAX: (770) 246-4455
 DSmith@SpringfieldCorp.com



Your Partner in Success.

EFT
Electronic Draft

25¢

PER PAYMENT

Mastercard/Visa
Electronic Debits

45¢

PER PAYMENT

"Mail-In" Payments
from Coupons

\$200

PER PAYMENT

FrontDesk®

INTERACTIVE SOFTWARE

The management system with **ALL** the options!

Complete Control!

- ✓ Real-time Management Software
- ✓ True Flat-Rate Billing
- ✓ Full Collection Services
- ✓ Flexible Renewal Programs



Call **BUSINESS DEVELOPMENT** Today!

1-800-233-8483

A F F I L I A T E D A C C E P T A N C E C O R P O R A T I O N

...2003 In Review

continued from page 8

Sponsorships/Promotions (left in photo) and amazingly efficient, Rick Devereux, IHRSA Director of Operations. John and Chuck have been with IHRSA since its beginning and have done an amazing job as has Rick Devereux who joined IHRSA 17 years ago.

In this cover story entitled, IHRSA "The Stellar Team" and subtitled: The "Times They Are Achanging"! we pictured Frank Eisenzimmer, the legendary Northwest founder of the Cascade Athletic Clubs, as he received IHRSA's DALE DIBBLE Distinguished Service Award. I chronicled the History of IHRSA, the Association that has changed the world of health, racquet and sportsclubs. I covered the very interesting name change to "Exercera", including how the IHRSA Membership rebelled and stopped that effort. I explained how IHRSA is different now than it was back in the beginning and why. I also stated that at that time (December, 2002), IHRSA was "Threatened Again" because there were constituencies, including the IHRSA "Independent Club Owners" and the IHRSA Associate Member Group (primarily small companies), that were feeling disenfranchised. I explained that while I did not agree with it, the "perception" held by independent club owners was that IHRSA had abandoned them in favor of the large chains that were now IHRSA Members in good standing, including Bally Total Fitness, 24 Hour Fitness, LifeTime Fitness, etc. I stated that "perception" can become reality.. I chronicled the defection of the Cascade Athletic Clubs from IHRSA and the defection from the IHRSA Board of Directors by Mike Arteaga. (He declined to serve his 4th year). I also chronicled the new Association for independent clubs, ICOA (Independent Club Operators Association) founded by Mike Chaet, a.k.a. "Club Doc" and Club Marketing and Management Systems' consulting executive and I wrote about the e-newsletter by Thomas Plummer in which the independents were assured that he was there for them. And, I explained exactly why IHRSA was threatened and recommended some things be done to correct the "mis-impressions" amongst the independent clubs. I also spoke out on behalf of IHRSA

Associate Member "Little-Guys" and why things needed to be changed there. I mentioned a troubled Gold's Gym operation in the Mid-West that was getting into as much trouble as it could as fast as it could. I stated that we were following that story closely and when I had fully investigated the situation, we would cover it. We did that in our June, July and August editions of 2003. And, Joe Moore, Owner of Moore's Fitness in Ohio and Kentucky, filed suit against that Gold Gym chain, owned and operated by Royce Pulliam. That case is now in the hands of Judge Flannery of the Common Pleas Court of Warren County Ohio. (Stay Tuned).

A "New IHRSA"

I wrote about the concept of a "New Team IHRSA" and made some recommendations, some of which have been pursued since then by the IHRSA Board of Directors. I also mentioned the evaluation and establishment of a new set of "Standards" for the Association and the establishment of real enforcement procedures.

I had a brief meeting with members of the IHRSA Standards Enforcement Committee in Chicago and I am waiting to hear more about the IHRSA standards and enforcement study by the committee.

So, I have some ideas as "food for thought" for the entire IHRSA Board. I propose here for the IHRSA Board and Member's consideration, the re-organization of IHRSA. I think that the Association has reached a size and magnitude which would support the division of the Association into three new divisions. The constituencies of the three divisions I am suggesting each would have their own separate set of issues, challenges and opportunities. The three IHRSA Divisions I would suggest would consist of members from (1) Independent clubs; (2) club companies with more than 3 clubs. (Chains) and (3) International clubs. They also all have something in common as well: the need to have a healthy IHRSA Association that each constituency truly believes is serving their needs. For example, in my view, the "perception" of some independent club owners is that IHRSA has "left the building" as far as they are concerned. And, many of those

club owners have voted with the lack of presence of their clubs and their dollars as they have dropped out of IHRSA. All three IHRSA Divisions could be targeted in special sections of CBI Magazine each month. And, all three IHRSA Divisions could attend the annual convention together and separately. Together, in that all IHRSA members could be together at the Annual Convention Opening Reception, during the Trade Show and at the Closing Party. Separately, by organizing the hotel housing plan at the Convention so that each Division would have its own convention designated hotel and meeting rooms as well as a tailor made educational program and faculty for their club division. When you think about it, all of the above fits well with the current 16 member Board of Directors, which already is selected based upon such club criteria. Single clubs, multi-clubs, etc. And, there is already leadership in place which might easily adapt to this concept. The Independent Club Council and the Industry Leadership Council could be asked to take more active roles in governance and making agenda recommendations and input to the IHRSA Board of Directors. I would also suggest the establishment of three new full-time IHRSA positions called "IHRSA Division Leaders", to assist and work closely with each constituency and report to John McCarthy, IHRSA Executive Director and Rick Devereux, IHRSA Director of Operations. By having three new key leaders in those roles, I would predict that the U.S. IHRSA membership numbers would again soar and that many, many former IHRSA member clubs would come back home to IHRSA where they belong.

I believe the ideas outline above have significant merit and I submit them now to the IHRSA Board of Directors for consideration and adoption, should they find the ideas to be actionable, manageable and prudent.

*Let's Do It Again! I Propose
 An IHRSA Open Forum
 In Las Vegas!*

And, one other thing. I want this to be considered a request to Tom Behan and the IHRSA Board and John McCarthy that an Open Forum of all IHRSA Members that wish

to attend be held at the convention in Las Vegas, at a time NOT in conflict with any other activities. This Open Forum would give any IHRSA Member in good standing, club side or Associate side, the opportunity to speak to the members of the Association who care enough to be a part IHRSA's future. Such an Open Forum Meeting took place twice before in IHRSA history. The first was in 1986 in New Orleans, Louisiana when the issue was to admit Bally Total Fitness into IHRSA or not (we did not then because they were not ready, but we did in January, 2000, because under Lee Hillman's leadership, BTF was ready) and the second was in 1994 when IHRSA's Board of Directors voted, without member input, 9-0 to change the name of the Association to Exercera. That

Open Forum resulted in a 9-0 retraction of that vote and the subsequent installation of the big letter "H" into the then IRSA name, making it for the first time, an Association that would appeal to health clubs, The International Health, Racquet and Sportsclub Association. Nothing but good things for the future of the Association will come from having another such meeting as it will unify all of the constituencies and will promulgate the "perception" that the IHRSA Board and Management Team are LISTENING and TAKING ACTION on issues close to and important to member clubs and Associate Members. I have a significant list of people whom I am going to ask to stand and say their piece at this Open Forum.

(See 2003 In Review Page 12)

**JLR Associates announces
 the placement of**

**Daren Parks
 Athletic Director
 Cherry Creek Athletic Club**

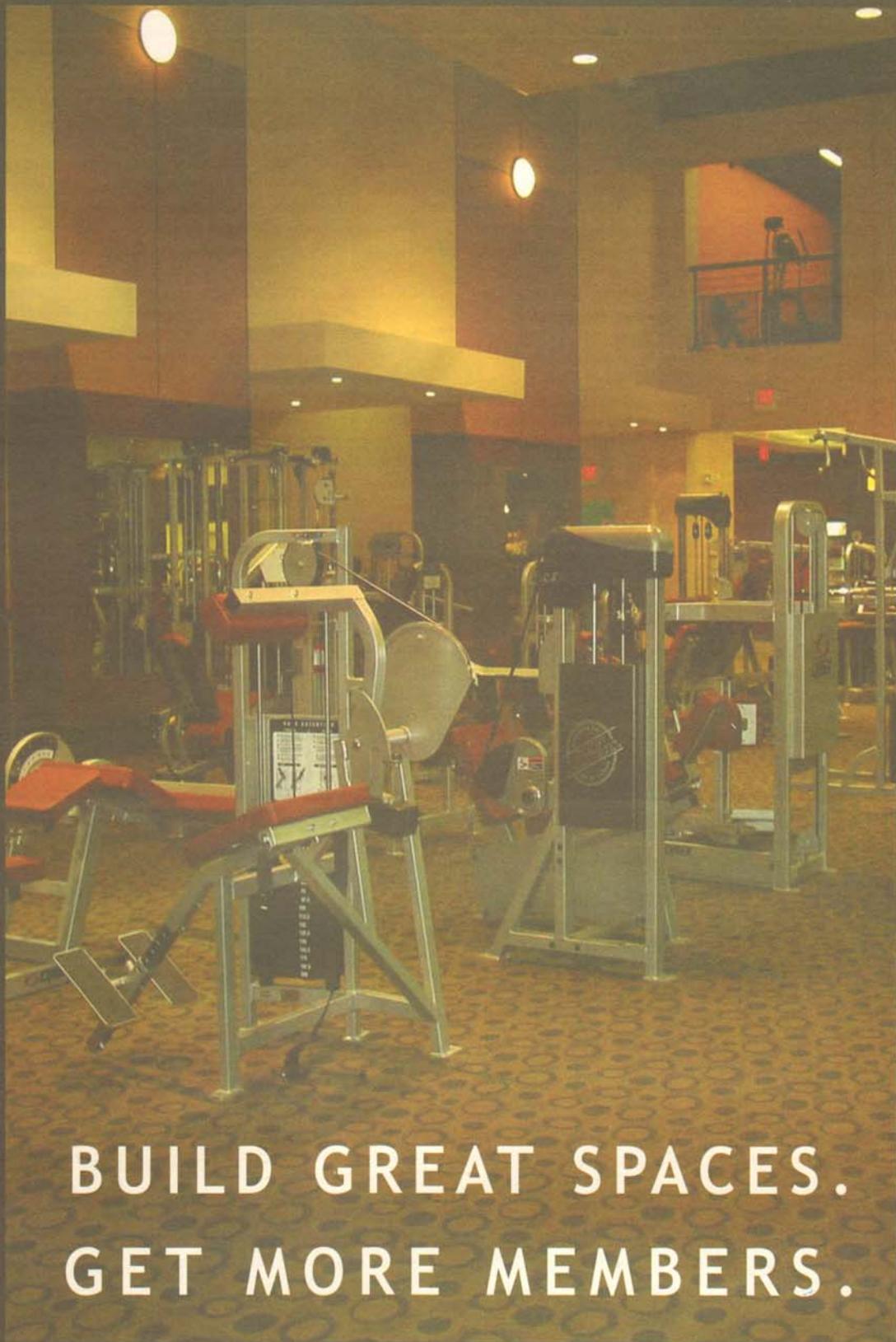
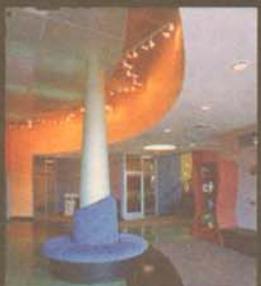
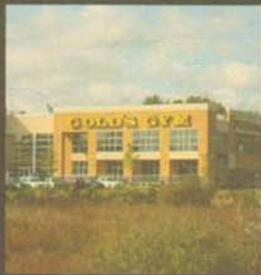
*Whether you are seeking employment or are in
 need of qualified candidates to fill your vacancy,
 JLR Associates can meet your needs. We specialize
 in executive recruitment for the
 fitness, health and wellness industry.*

**For all your employment needs,
 contact JLR Associates!**

**Jeff Randall
 781-431-0868
 jr@jlrassoc.com**

www.jlrassoc.com

**JLR
 associates**



BUILD GREAT SPACES.
GET MORE MEMBERS.

FABIANO

ARCHITECTS
DESIGNERS
CONSULTANTS
PH. 973.746.6100
FABIANODESIGN5.COM

...2003 In Review

continued from page 10

We published a page #3 article about WellBride's parent company, Starmark Holdings, L.L.C. receiving \$178 million from W.P. Carey and Company in sale-leaseback transaction involving 15 of WellBride's 45+ clubs.

I published an "Insider Speaks" editorial entitled: "We Are All In This Together" in which I shared my view that the industry across North America should adopt the mind-set that "We Are All In This Together" and that by working together we stand a better chance of making the health club industry truly professional. I also urged club owners everywhere to join IHRSA to promulgate this movement toward total professionalism.

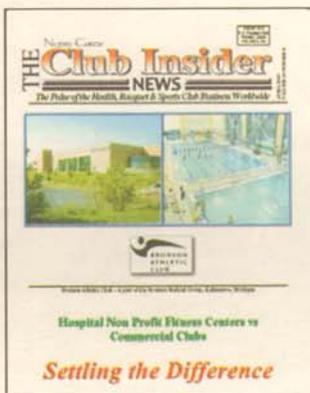
We summarized the 2003 IHRSA Convention and Trade Show, including Frank Eisenzimmer's Award and IHRSA Person of the Year Award to the "one and only", the "Father of Fitness" Jack LaLanne. In the March Norm's Notes I summarized the most embarrassing moment and at the same time, most exhilarating experience I had while in attendance at all 23 IHRSA Annual Conventions. That was when I, feelin' my oats' decided to try to save some time by running up about a 50-yard down escalator because the upgoing escalator was jammed with people. Things were goin' good until I, carrying my rolling suitcase office in one hand, began to "run out of gas" about 3 steps from the top. DAMN, I had been training everyday for the past two years and I just knew I was going to make it to the top. But, those three top steps just kept coming and coming until a couple of wonderful IHRSA members grabbed my left hand and help drag my big ass off that escalator. So, for those that witnessed that bizarre and from your view point, absolutely hilarious scene, I can only say this. I am still training everyday but the next time I try that will be in another life! STAY TUNED!

IHRSA held its first ever Public Relations Forum at the San Fran Convention and while the turnout was not huge, it was meaningful to those that attended and it clearly pointed out a need for more, which I believe IHRSA has scheduled for Las Vegas next March. I can tell you this about Public Relations efforts by your

club. You SIMPLY CANNOT GO WRONG in your business by adopting a couple or three community projects for your club, working hard to help those in your community that need help and being sure to give the local media, tv, radio and newspapers, a heads up about what you are doing and why. The media is always and I mean always open to publicity for such community efforts, and your club will shine in that light, thus helping your business stand out from the charging hoards.

"Mr. Cost Control", Rick Caro, was featured with his annual Financial State of the Club Industry Report which truly provides club owners with cost control guidelines that I promise, if followed carefully all year, will save your club 10% annually on expenses of all kinds. That's big bucks folks! (By the way, the article was reprinted courtesy of Jim Smith's Club Success Journal.) We shared some IHRSA Member Comments from members who had attended the IHRSA Convention and Trade Show and there was some real "meat" in that report. And, Michael Scott Scudder, my "Tell-It-Like-It-Is" comrade, wrote a terrific article entitled: "Stalking New Memberships: The Wrong Game." Karen Woodard's article entitled: "Increase Profits by Reducing Staff Turnover" was terrific as was Bonnie Pfeister's "PR Moment" article, "Thinking Outside The Advertising Box" focusing on the use of PR to augment your club's marketing messages.

APRIL 2003



Our cover story for April was written by veteran club pro, Bonnie Patrick Mattalian and entitled: "Hospital Non-Profit Fitness Centers vs Commercial Clubs -SETTLING the Difference." We featured two photos of the Bronson Athletic Club, a part of the Bronson Medical

Group, Kalamazoo, Michigan and managed by Carl Porter's company. Also, on our page #3 we published a report entitled: "IHRSA Leaders Respond...So Should the Members...We published letters from Tom Behan, IHRSA President, Geoffrey Dyer, immediate Past-President of IHRSA, Julie Main and Carol Nalevanko, IHRSA Board Members and John McCarthy, IHRSA Executive Director. Many of the comments from the leaders proved the point of my previous "written commentary" about "Perception sometimes becoming reality." IHRSA President, Tom Behan, eloquently responded and stated something I had clearly communicated for years. IHRSA does a HUGE NUMBER OF THINGS for its Independent Club Owners. (Per a list of 14 IHRSA initiatives for independent clubs published from John McCarthy in that issue). But, the "perception" out there amongst the independents is that it does not. Frankly, since last year, I have come to the conclusion that some independent club owners actually use this line as an excuse to do nothing, asserting that "IHRSA has forgotten them!" Sure folks, if you are an IHRSA member, but don't get active and take advantage of the many IHRSA services, you ARE going to feel alone and neglected. But, it surely won't be IHRSA's fault; it will be your own. Get off your keister and come to IHRSA Las Vegas and you will see why I say this. And, Tom Behan straightened me out about my previously written comments about there having been a "forced installation" of David Giampaolo onto the IHRSA Board. I stand corrected. And, at the Hyatt Hotel in Chicago this fall at Club Industry, I addressed the Board of Directors. The first thing I did was to apologize to David Giampaolo and the Board of Directors for the content and tone of my written comments about his presence on the Board of Directors. I explained that I was out of line and I had regretted what I had written. I can tell you that is a rare happening, because I usually have thought things through much better than I did with those misguided comments about David's Board membership. But, for the record here, I again, publically this time, apologize to David Giampaolo and the IHRSA Board of Directors for the writing I did on this. Also, during his written

comments about the IHRSA Standards and lack of enforcement, IHRSA President Tom Behan wrote: "The allegations in Oregon have prompted a review of the IHRSA Code of Conduct of Ethics and Standards that will most likely result in strengthening with an improved path of enforcement." Tom closed his letter with: "As you so well put, "we are in this together" and the collective strength of our growing and dynamic industry will serve us and the world well.

In Norm's Notes I wrote about our upcoming "Bottom-Feeders" update that would be targeted at club industry players that are out of bounds in the view of many club industry professionals. I explained to all these reports would contain the facts

that had been carefully researched as being true and correct and they would be candid. I also wrote of the amazing guy, Thomas Plummer, and what a true asset he is to this industry. And, I congratulated Bob Provost and Mary Beth Provost in Greenville, S.C. on the 25th Anniversary of their big club now called Sportsclub Greenville. I wrote about a grass roots artist based near Atlanta, one Carlos Dixon. (See my Norm's Notes this month for more about Carlos and what he can help you do to make your club more profitable.) I quoted WellBride CEO, Ed Williams from his comments about Matthew Stevens departing WellBride for the role of President of the Spectrum Clubs and that Debra Regan had (See 2003 In Review Page 20)

FRIDAY REPORTS

Weekly Marketing Insights
For The Club Industry

8 Great Years
Subscribe Now, Call
800-778-4411

- ▶ Immediately-usable marketing action ideas in each issue — in your hands every Friday morning by Fax!
- ▶ Only \$179.00 per year (Less than \$3.50 per week).
- ▶ Fax to: 212-987-4227 (Ask for a sample issue)

A PUBLICATION OF CLUB MARKETVISION

177 EAST 87TH STREET, SUITE 301, NEW YORK, NY 10128
mgmtvision@aol.com

Two great new resources from National Gym Supply.

Parts Resource Book 2003

Your #1 Source for Replacement Parts
and other gym essentials!

**GREAT
PRICES!**

New:

- * Lifstride Nextgen
- * Expanded Ellipticals
- * Expanded Electronics Repairs
- * Complete E-Commerce Service

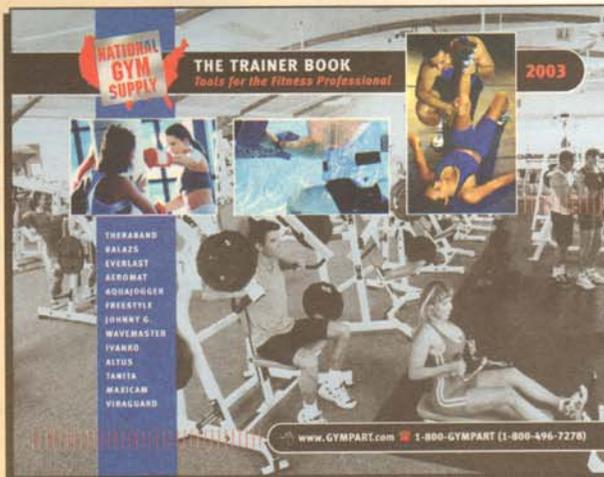
Your tried and true source for:

- * Replacement Parts
- * Electronics Repairs
- * Top Technical Support
- * Invaluable Schematics



The Trainer Book

Designed for you, the fitness professional!



**Includes the finest
product accessories for:**

- * Aquatics (Aquajogger)
- * Fitness Boxing (Balaz, Everlast)
- * Body-Weight Resistance Training (Balaz, Everlast)
- * Rubber Resistance (Theraband)
- * Stability Exercise (Theraband Slow Deflate System)
- * Group Exercise & Yoga (Aeromat)
- * Group Cycling (Polar, Team Schwinn, Blast)
- * Fitness Watches (Freestyle, Timex)
- * Weight Room (Ivanko, Platemate, Maxicam)
- * Locker Room
- * New! Charts & Signs

AQUAJOGGER

BALAZS

EVERLAST

IVANKO

FREESTYLE

TANITA

Thera-Band

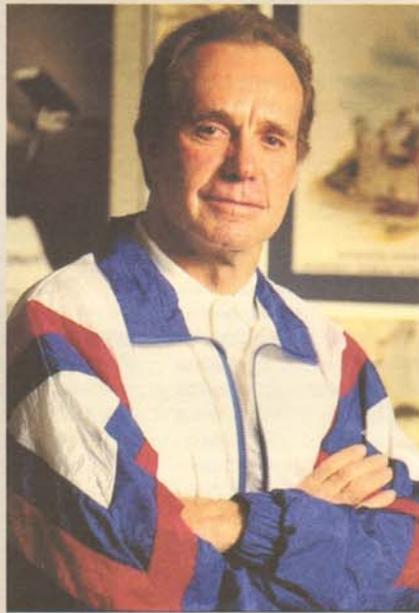
Thera-Band

Check 'em out online – www.gympart.com

Or call today to order your copy of our 2003 Parts Book and 2003 Trainer Book!

☎ -800-GYMPART (1-800-496-7278)

Join Ray Wilson's



Over the course of my fifty year "plus" career in the Fitness Industry, I have managed to stay ahead of the pack by recognizing the needs of the people and the times in which they live.

In the 1950's, Vic Tanny and I created gym chains. In the 60's and 70's, I created spas which the majority of the industry copied for over 20 years. In the 70's, I also designed the world famous Lifecycle Exercise Bike, which has been used by more people in fitness centers than any other exercise bike. In the 1980's, I created and developed Family Fitness Centers of Southern California and Western America. In the 90's, I created Ray Wilson's California Fitness Centers in Asia. The whole fitness industry has pretty much catered to the intimidating "hard body" market, leaving 80% of the market really wanting fitness, but no place to go! My new half hour, 30 second workout will now bring fitness to this huge market.

So, in this new Century, I believe we will lead the fitness industry with Figure Magic Express and Ray Wilson's Healthy Exercise. Join us in the next phase of the evolution of exercise.

If you are interested in Brokering, Franchising or a Fitness Equipment Distributorship,

Please contact us at www.raywilson.com or call Toll Free at 888 437 0001.

Franchises Now Available Two Concepts...Two Opportunities

Figure Magic™
Express

Reducing and Exercise Studios for Women



Women's Only Franchises

Rancho Bernardo, California
1,000 to 1,200 Sq. Ft.

FIGURE MAGIC EXPRESS

- Figure Magic is an exclusive women's exercise studio.
- The newest and most complete 16 station interval circuit training system.
- An organized program, removing all the guess work that normally exists with a traditional health club in 30 minutes or less.
- Studio size varies between 1000 and 1200 square feet.
- The studio is open during the most popular workout hours:

Monday-Friday 8:00am-1:00pm and 4:00pm-7:00pm

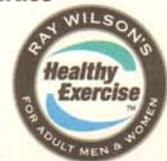
Saturday 8:00am-Noon • Closed Sundays

Hours may be increased at the option of the operator.

Franchise fee - \$19,995

Includes 16 Stations

Monthly Royalty fee - \$395



Healthy Exercise™



Co-Ed Franchises

Temecula, California
1,500 to 3,000 Sq. Ft.

RAY WILSON'S HEALTHY EXERCISE

- Ray Wilson's Healthy Exercise studio is for both adult men and women.
- The workout program focuses on total muscular and cardio development, completely eliminating the need for aerobics and personal training in 30 minutes or less.
- The newest and most complete 24 station interval circuit training system.
- Packages up to 55 stations, *additional equipment cost*
- The studio size can vary from 1500 to 3000 square feet.
- The size of your studio varies to your local market and investment criteria.
- The studio is open the most popular workout hours.

Monday-Friday 8:00am-1:00pm and 4:00pm-7:00pm

Saturday 8:00am-Noon • Closed Sundays

Hours may be increased at the option of the operator.

Franchise fee - \$29,995

Includes 24 Stations

Monthly Royalty fee - \$395



Latest Ventures

Franchising, Licensing, entering a Joint Venture, purchasing or just buying Exercise Equipment...



Healthy Exercise



Figure Magic Express

Debbie
"I needed a gym that I could feel comfortable enough to go to on a regular basis. After only a month, I lost 14 lbs and 19 inches."

No longer intimidating.

Dulce
"One year ago, I weighed 215 lbs. and was a size 18. Today, I weigh 150 lbs and a size 8. The key to my success has been the support I get at Figure Magic."

Barbara
"I lost 22 lbs and 17 inches in 5 months. I feel like I have my own personal trainer at Figure Magic. I feel a lot of encouragement each time I work out."

There's no confusion, you'll know exactly where to begin and where to stop.

Our Franchise Exercise Studios are Designed for Maximum Results in Minimum Time.

OWN YOUR OWN BUSINESS

Turn-key Exercise Studio... Where

- You can control your earnings
- You can make a difference in people's lives
- You can promote healthy lifestyles to women and men through our "1/2 hour - 30 second interval circuit workout"

Receive the Following Support and Services

- Guidance for site locations
- Design guidelines for constructing a studio
- A multi-station exercise equipment package
- 5 Day Training program
- Complete Operations Manual

90% of Franchises remain in business. (US Department of Commerce)



Charles and Nancy
"After the cardiologist told me "you're in poor shape, you need to exercise, and you need to lose weight", we joined a week later and my body fat dropped over 7% and I lost 10 inches. We now look forward to waking up and getting to Ray Wilson's Healthy Exercise each morning."

It's quick and easy!

Ron and Mindy
"Over the years, we have experimented with different fitness programs, and have found yours is the most impressive and produces the best results. We have both lost inches, weight and improved our muscle tone. Our results are due to the ability to come in, get on the circuit and get the workout finished."



1/2 Hour

30 Second Workout!

Don't Compromise...
Healthy Exercise

"Ray Wilson"

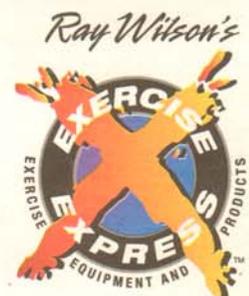
If you act right now, you can be open for January's New Year's Resolutions!

For a complete list of our equipment & prices please check our website at www.exerciseexpressintl.com

**All Pricing in US Dollars & Does Not include freight charges, broker's fee, customs, duty, taxes, etc.
Limited Time Only - Prices Subject to Change Without Notice*

1 (888) 437-0001 • +1 (619) 437-1883 • Fax +1 (619) 437-4110 www.exerciseexpressintl.com

| OFFERING BY PROSPECTUS ONLY |



23rd Annual IHRSA International Convention & Trade Show

March 22-25, 2004

Las Vegas, Nevada

NBC's DR. BOB ARNOT DESCRIBES HOW 'TO BE YOUR PERSONAL BEST'

Dr. Bob Arnot, a featured speaker at IHRSA's 23rd Annual International Convention and Trade Show, is one of the best-known multipurpose physicians around—an accomplished author and medical journalist, the former chief medical editor for NBC and now a special foreign correspondent for the network. His extensive, wide-ranging reporting and the research for his eight books have made him one of the nation's foremost authorities on health and lifestyle issues, an insightful student of what it takes "To Be Your Personal Best"—a topic he addressed in *The Biology of Success* and the title of his IHRSA presentation.

"Life's biggest winners all exhibit tremendous, persistent, positive mental energy," he observes. "The good news is that you, too, can create in yourself the bright moods, mental energy, and positive patterns of thought that underlie the accomplishments of our highest achievers." Exercise, he notes, is one of the essential requirements—a "magic bullet for creating mental energy." But, he adds, it must be utilized properly and, to obtain the best results, in combination with other ingredients.

Studies have found, for instance, than an unpleasant exercise environment can actually have a negative effect on mood. Working out outside enhances attitude, but, since weather and other exigencies often preclude doing so, Arnot suggests exercising with a class or "finding a gym with lots of windows facing onto the great outdoors."

Exercise may be the most crucial factor for improving mood and mental performance, but it's hardly the only one, and Arnot offers a number of other practical tips, based on solid scientific research, to help us lead happier, healthier, and more successful lives. Here's what IHRSA's favorite doctor prescribes:

• *Light up your life.* Arnot cites the findings of

Michael Terman, Ph.D., a professor of clinical psychology at Columbia University, in New York City, and a specialist in light therapy. Terman notes that even when the sun is just peeping over the horizon, it is already much brighter (800 lux) than indoor light, which rarely exceeds 600 lux; our minds, he points out, need at least 1,000 lux to begin reaping light's biological benefits.

• *Turn up the heat—but not too high.* Mental performance can drop by as much as 30% at temperatures that aren't even warm enough to induce sweating. The optimum temperature for mental work in the U.S. is 70 degrees Fahrenheit; in countries with warmer, or cooler, climates, the temperature may vary slightly.

• *Generate "pink noise" to calm down.* White-noise generators, the only kind of noise generators sold today, create a high-frequency hiss that the human ear associates with danger. Pink-noise generators, on the other hand, produce a lower-frequency sound that the ear associates with slow movement and soft impact. Fans and air conditioners generate pink noise; you can also buy a radio with a graphic equalizer and turn down the treble.

• *Get up at the same time every day.* Our wristwatches say there are 24 hours in a day, but our biological clocks operate on a 24.5-hour-a-day cycle. Sleeping in an extra hour on the weekend resets our biological clocks by an hour; but recovering from the indulgence takes one day for each extra hour we sleep, producing a "jet-lag" feeling until mid-week. To avoid it, try to go to bed at the same time every night. If you can't, then get up at the same time every morning—even if you went to bed at 3 a.m.

• *Good scents make sense.* Several studies have shown that you can reduce anxiety by making use of certain scents. In one study, conducted at the Royal Shrewsbury Hospital in Great Britain, aromatherapy oil (consisting of lavender, jasmine, and ylang ylang) was diffused throughout

the coronary care ward, producing a 71% reduction in anxiety levels (versus a 25% reduction in a control group).

• *Cut afternoon tension with carbohydrates.* Excess carbs at lunch can make you feel sleepy, but a late-afternoon carbohydrate fix can temper the tension that most people experience around 4-5 p.m. Try microwaving a small sweet potato at the same time, in the late afternoon, every day. This is a healthy snack that releases some serotonin, which combats carb cravings.

• *Listen to music.* Music is as quick and effective at

promoting relaxation as more structured methods, such as yoga or meditation. It can reduce stress, induce muscle relaxation, and, potentially, even boost your immune system. Cheryl Dileo, Ph.D., a professor of music therapy at Temple University, in Philadelphia, studied a disease-fighting antibody called IgA that occurs in saliva; she found that IgA levels increased significantly in study participants after they'd listened to music for 20 minutes.

• *Smile like you mean it!* Experiments have shown that, even when people fake smiles, they actually do start feeling better.

REGISTER EARLY AND SAVE \$\$\$

A full four-day convention registration entitles you to three continental breakfasts, two receptions, workshops, seminars, the trade show, and much more, and, for the moment, the fee starts at just \$550. But the rates go up after January 15, so register now! by logging onto www.ihrsa.org/ihrsa2004, or calling 800-228-4772 (U.S. and Canada) or 617-951-0055.



IHRSA
 2004
Las Vegas

EARLY BIRD SAVINGS
 before 1/15!

IHRSA'S 23rd ANNUAL INTERNATIONAL CONVENTION AND TRADE SHOW

MONDAY, MARCH 22 – THURSDAY, MARCH 25

Featuring

- ◆ RUDY GIULIANI ON LEADERSHIP
- ◆ 12 EDUCATIONAL TRACKS
- ◆ 80+ SEMINARS, PANELS, AND FORUMS
- ◆ 100+ PRESENTERS (OVER 50 NEW PRESENTERS)
- ◆ THE WORLD'S LARGEST TRADE SHOW FOR THE HEALTH CLUB INDUSTRY WITH OVER 8,000 ATTENDEES AND 400 EXHIBITING COMPANIES



FOR MORE INFORMATION OR TO REGISTER:

- Visit www.ihrsa.org/ihrsa2004
- Call 800-228-4772 or 617-951-0055



INTERNATIONAL HEALTH, RACQUET & SPORTSCLUB ASSOCIATION

How Do I Service All Of
My Members?

-10% Using A Personal Trainer

-25% Participating In Group Exercise Classes

-15% Self-Guided/Self-Motivated

-50% ????

How Can I Serve These Members?

ActivTrax provides customized fitness plans to ensure that all of your members are being served. To learn how ActivTrax has helped hundreds of clubs like yours, call us today. Mention this ad and receive our free introductory offer.

866-TRY-TRAX
(866.879.8729)
www.activtrax.com
info@activtrax.com

ActivTrax

“small is GREAT!”

By: Michael Scott Scudder

“REVIEWING THE YEAR... and WHAT'S IN STORE FOR smallS IN 2004?”

December is always a good time to “take stock”...of where we've been...and to plan where we're going. So we'll do that here in our final column for 2003, with a review of our writings and a look ahead to the next year in our industry.

•Our February issue spoke to the issue of “success” in small clubs, and in particular, it warned **NOT TO UNDERPRICE AND DEEP-DISCOUNT** for “cash” sales. (The latter is the “death knell” for small operators.)

•In March, we suggested that you “raise the bar” in advertising...stop showing the menu and price-discounting (again!)...start marketing to **THE AGES AND TYPES OF YOUR MEMBERS**...stop with the starbursts and Spandex and “last chance” ads!

And for heaven's sake, stop **DISPARAGING WOMEN WITH YOUR ADVERTISING!**

•April took an in-depth look at the **WRONG GAME OF DEPENDING ON SELLING NEW MEMBERSHIPS**. It detailed how you can't make money with new membership sales, how you must go for retention of present members, and how *up-pricing and driving Revenue Per Member* is the way to go.

•In May, we expanded on the April issue with **CHANGING PARADIGMS IN OUR INDUSTRY** and that the only way to sure success is to take care of the members you already have!

•June and July offered up (somewhat) tongue-in-cheek looks at **THINGS I HATE AND THINGS I LIKE IN HEALTH CLUBS**. Too numerous to name here, I suggest you go back and look at those “*Club Insider*” editions...dozens of club owners emailed me and said that they were a textbook for what to

do...and not to do...in our business.

•August detailed *the advantages the small club operator has in the health and fitness industry*...including the personal approach to service not generally available in bigger facilities...the unique advantage of getting more business from less people...and the ability to change horses real fast if necessary to stay up with the times.

•In September, I showed you *how small facilities can compete with, and often win the battle over the “bigger-box” players*. This column discussed the various ways to gain market share in your small club.

•October's discourse showed you **WHY YOU CANNOT COMPETE ON PRICE**...the *Seven Markets for Membership*...and initial steps to take in carving out a stronger niche for yourself in your location.

•Last month's November writings showed how you go about getting **MORE RETEN-**

TION DOLLARS...how you will spend less for advertising by doing so...and shared with you the *Retention Secrets of Successful Clubs*.

So that leads us to December...*now*...and what's ahead! But, before that, a few words about 2003. (As Dennis Miller says: “That's my opinion...I could be wrong!”):

•2003...the “year in which the shake-out began”...the beginning of the disappearance of the low-service, under-funded ma and pa clubs...and the mid-sized, aging, out-of-date racquet-based facilities.

•2003...the year in which we saw a mini-return of “spa wars”...and many, many operators decided to go low-ball and low-price.

•2003...the “year of the niche player”...the overt emergence of “express clubs,” “personal training studios,” and “group fitness boutiques.”

•2003...the year in which Norm Cates took on the



Michael Scott Scudder

“bottom-feeders” in our industry!

•2003...the year in which “membership madness gave way to “retention recognition.”

What's predictable for 2004?

•Consolidation in our industry will continue...in fact, will accelerate.

•Good quality players will look for ways to protect their markets and market share.

•More club dollars will (See Scudder Page 22)

Coming Soon

**THE TOTAL SOLUTION
FOR TOTAL SUCCESS**
Marketing · Equipment · Programming



im'pact *n. collision, resulting effect; consequence, impression*

[the effect of having power over a thing or a person, to exert influence over]

You want your facility to sell it self, however, having rows and rows of the latest cardio and weight training equipment may intimidate the 80% of the population that doesn't belong to a health club.

The solution, use color and design to make the environment of your club appealing and inviting...give yo ur club **IMPACT!**



Give your locker rooms **IMPACT**

It's more than a paint job, but less than a construction renovation. It was one of the best investments I've ever made.

Terry Brasseale,
Iron Works Fitness,
Huey Town, AL



Give your child care area **IMPACT**



Give the outside of your club **IMPACT**

I've used IMPACT Painting in several of my clubs. I know the Design & Painting are good for business because my numbers increased each time I used them.

Al Phillips, Owner of 5 World Gyms, Chicago, IL

We've used Carlos Dixon and his people at IMPACT DESIGN, Twice...And each time they've come through with "Flying Colors"!

Wayne Kosbie, Owner of Towne Lake Fitness, Woodstock, GA



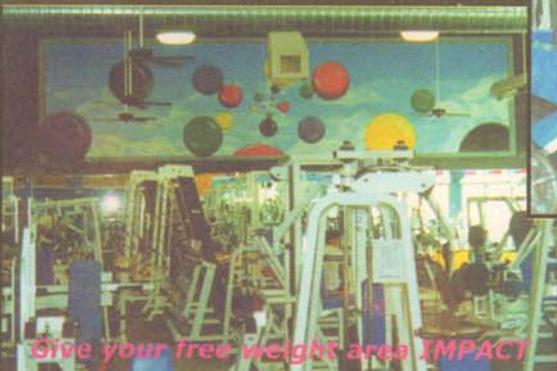
Give your cardio area **IMPACT**



Give your cardio area **IMPACT**

Our club was a year old and we had plain white walls. After IMPACT worked with us on our logos and some exciting colors in the daycare and aerobics rooms our new member numbers increased and our retention rate has been incredible. We should have done this sooner.

Velvet & Chris Eidson: Owners of World Gym, Jacksonville, FL



Give your free weight area **IMPACT**



Give your entire facility **IMPACT**

Interior Design Consulting Solutions
General and Specialized Painting
Logos - Wall Murals -Faux Painting



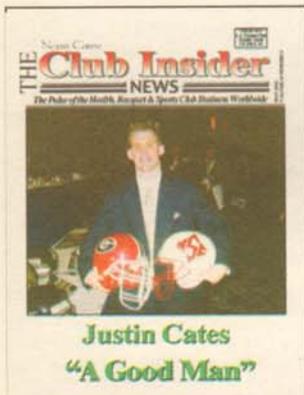
**Exciting, Energetic
Affordable**
Call (770) 621-7770
extension #1

...2003 In Review

continued from page 10

been named Vice President, Product and Services at Wellbridge. We had a terrific article by Michael Hoffman, PR Guri of Excellence, entitled: "INSANITY" – Marketing the Same Way Over and Over Again and Expecting a Different Result. Gary Albert, founder and President of ActivTrax. On page #17 of the April edition, I published an IHRSA Member and Associate Member and Non-IHRSA Survey. While the responses to the survey were not huge in volume, they offered some very important and illuminating "from the heart" commentary about IHRSA which has been provided in full to the IHRSA Board and to John McCarthy and key staff. They are working on those issues as I write this. And, we published another terrific article from Bonnie Pfesiter on Public Relations entitled: "Discovering Networking." And, our editorial content for the April issue included an article from Karen Woodard entitled: "Implementing An Etiquette, Courtesy and Communication Skills Component to Your Staff Training for Service Excellence and Bottom Line Growth". Michael Scott Scudder provided his monthly entitled: "Changing Paradigms In Our Industry" and once again, ol' Scudder hit the nail on the head. In this terrific article Scudder contrasted old health club industry paradigms (an outstandingly clear... philosophical and theoretical framework... within which generalizations... are formulated.)

MAY 2003



I asked my readers to indulge me in May 2003 as I published a Cover story about my favorite person in the world, my fine son, Justin Cates. The Cover story was entitled:

"JUSTIN CATES – A Good Man!", and I wrote it in honor of his graduation with Honors and a 3.6 G.P.A. from Walton High School. I also wanted to share with my readers his great contribution to The **CLUB INSIDER** News since he was 12 years old. A computer guru he is. And, in that article I shared with you my 10 years as "Mr. Mom" and how I actually created this newspaper business in the beginning so I could work at home and be here for him when he was not in school. You may know what I always say about Justin. "Just-in-case" you ever forget Justin's name, just remember, Justin Cates! Kind of corny and I can assure you, this guy is someone you will never forget. He looked terrific on our cover all dressed up in a suit at the Atlanta Touchdown Club's Annual Jamboree and holding a UGA football helmet in one hand and an N.C.State football helmet in another.

Check out Justin's article on pg. 6, which I have published this month entitled: "Change By Football" in which Justin chronicles the changes football and weight lifting made in his life from age 12 through 18. I can also tell you that he made an A on that essay written for his class at UGA and he is holding a solid A in the English Composition course. This was in stark contrast to me. I went to N.C. State as a freshman on a full football scholarship in the Fall of 1964. I flunked the hell out of English 111 and I must say that experience inspired me to really work at writing for the rest of my life.

In our May issue, I reprinted an article by the one and only, Laury Hammel entitled: "About Obesity." Laury had originally crafted the heartfelt article a few years back in response to John McCarthy's comments about the infamous "When the Aliens Come, They Will Eat The Fat One's First!" Billboard out in San Francisco, CA. Big John had written comments defending the billboard and Laury had jumped on John's response like a dog on a pork chop. But, I can honestly say Laury's article was one of the most moving and compelling articles about this sad subject I have ever read. And, there have been many.

We published our first ever, "Alleged Bottom Feeders Update" report in May 2003. These "Alleged Bottom Feeder"

reports will be continued in the future, if and when any health, racquet and sportsclub industry operator steps outside the lines of legal and/or ethical behavior in their operations. The distinction of being named the first-ever "Alleged Bottom Feeder" by this industry scribe went to the now infamous Gold's Gym operation in the Cincinnati, Ohio and Lexington Kentucky, owned principally by the handsome and hard driving Royce Pulliam.

Let me say this about that. I finally met Royce Pulliam in Chicago at the Club Industry Show and suffice it say, I was very happy to meet him. The truth about Royce's Gold's Gyms is that they are some of the nicest, best looking and best equipped health clubs you will see anywhere. But, that, in my view, is where the excellence in Pulliam's operation stops dead in its tracks.

Royce Pulliam's operation is hurting for professional management for the 12 or 13 Gold's Gyms he owns in Ohio, Kentucky and Tennessee. And, don't get me wrong. I do not want any of my writing here, in the past or in the future to be interpreted by anyone that I have a beef with the many terrific Gold's Gyms operators across America and the world. The Gold's Gym brand is probably the most recognized brand in the world. Not probably, it is. And, the many Gold's Gym operators I have met and gotten to know over the years are first rate. I consider all of the of the Gold's Gyms owners, such as Gordon Johnson, as good friends. Generally speaking, 98% of the Gold's Gyms owners I know of design, build, equip and operate excellent, stand-up health clubs from both a brick, mortar and equipment standpoint, including day-to-day management in a lawful and ethical manner. That is the rub here.

Royce Pulliam, apparently a rich guy before he entered the health club industry, had the world by the "you know what." In my view he is just not getting what the industry is saying to him through me and at least one other club owner operator. That club owner is Joe Moore, owner of a chain of Moore's Fitness Centers in Ohio and Kentucky, IHRSA Board Member and member of the IHRSA Ethics Committee. In June, 2003, Joe, "The Gladiator" Moore, filed a lawsuit re: Moore's

Fitness Holdings vs Gold's Gym, Inc. et.al. The preliminary hearing was held in the Warren County Ohio Court of Common Pleas. At the preliminary hearing in mid-summer, a temporary injunction ordering Pulliam's organization to write and begin to use a new membership contract was ordered. A couple of months ago, a second hearing was held. That was brief and a continuance was declared resulting in a second hearing. The litigants are waiting now for the Court to Rule on Moore's preliminary motions. I have stayed in touch with Joe Moore over these past couple of months as Moore, Pulliam, I and the rest of the health club industry await this decision with great anticipation. Why? Because the Judge's decision, even though only at the Preliminary Hearing level, could result in earthshaking health club industry developments. Part of the four-count complaint against Pulliam's Ohio Gold's enterprises related to their alleged failure to comply by providing in their membership the membership cancellation/revision clause specifically required by Ohio State law. In essence, in respect to that Count, Moore's complaint asks for, among other things, a decision that will probably be a health club industry first. That sought action, taken to the limit, could possibly result in Judge Flannery ordering Pulliam's companies to send a letter to all 11,000 of Pulliam's members telling them that their memberships are in fact, null and void and could possibly require that Pulliam provide a full or partial refund to those members who request it. If that was to happen, in my view, it would not just play hell with Pulliam's Gold's Gyms in Ohio, it could rock his entire fast-paced organization in Kentucky and Tennessee as well. Before and after Joe Moore's lawsuit, I have asked for an interview with Royce Pulliam, but he declined through his attorney, Darby Turner.

Why This All Happened and How It Could Have Easily Been Avoided

I hate to think about how bad this mess Pulliam is in could be for Pulliam's group..

And, I hate even more to think about how easily all of this could have been avoided. Do you wonder how? Here tis'. If, from the very start of his Gold's Gym tenure, (he quit as World

Gym franchisee a few years back) Pulliam had applied an equal amount of his time, talent and energy making sure his management was within the bounds of all state and federal laws and IHRSA Ethical Standards, Pulliam would very likely be home free. But, if Judge Flannery rules in favor of Moore's Fitness, Pulliam will have a really serious problem.

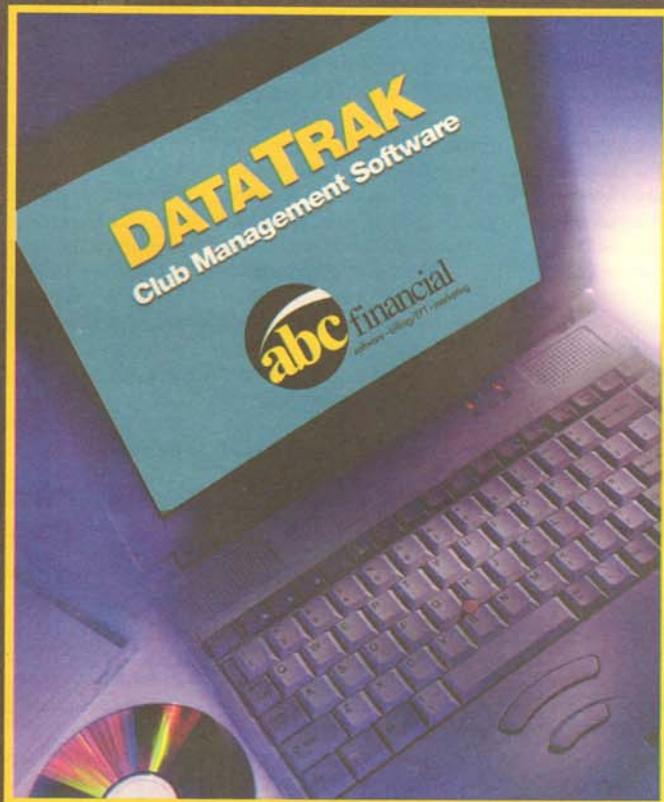
The question of why this all happened has a relatively simple answer, in my opinion. Royce Pulliam is a blessed man. He is handsome enough to be a movie or rock star. And, he is energetic and driven. He is also ruthless and as aggressive as hell. (You should hear the many statements about those tactics I have heard from club owners where he enters a market, generally by acquisition.) And, Pulliam is apparently very talented in seeking out, negotiating and doing new deals and then acquiring capital to spec, build, decorate and equip them. But, we all know that when the ink is dry and the pre-sale is off and running, you had better have ALL of your ducks in a row before you sign up your first membership deal. Apparently, Pulliam's Gold's Gyms in Ohio did not and the price Pulliam must pay for that will be up to Judge Flannery to decide. So, how can a man of Pulliam's obvious talents and apparent assets be accused of so much alleged health club industry wrongdoing? The answer is: by focusing too much on growth and not enough on lawful and ethical management of his clubs.

Moreover, Pulliam's management of his clubs has been delegated to his President, Glenn Gordon. In fact, in the first conversation I ever had with Pulliam, I asked him about his role in his company and he flat out told me he focused almost entirely on acquisitions and new deal development, and he said that he "leaves most of the operational stuff to Glenn Gordon." But, I think Royce Pulliam must realize that the "buck stops" with himself, not his employee, Glenn Gordon. Period.

However, a reliable source has told me that part of the cause of Pulliam's haste for new deals is that he has a deal with Gold's Gym International, Inc., (GGI, Inc.) the parent company, to sell his clubs to them once he hits an unidentified number of clubs and annual (See 2003 In Review Page 24)

Place Your Club On The "Fast Track" For Success.

With the "Complete Club Management Solution" from ABC Financial.



P.O. Box 6800 • Sherwood, AR 72124
Toll-Free 1-800-622-6290 (option 3)
Fax 501-515-5001
www.abcfinancial.com

ABC Financial Services makes it easy for you to streamline the overall operations of your club with our "complete club management solution".

DataTrak Club Management Software.

DataTrak, our proprietary browser based club management system has been built using the concept of centralized data and provides our clients a wide range of services to efficiently operate their club. DataTrak gives club owners the real-time data they need when they need it.

OnLine Club Management Center.

You can log on to ABC's Club Management Center interactive web site at anytime to view reports and update member account information. Plus, your members have immediate access to view their account balance and make payments.

Billing And Payment Processing.

Our processing division offers full service accounts receivable processing - EFT, credit card and monthly payment books. From start to finish we monitor every aspect of your members account.

Customized Marketing Programs.

Our Club Enhancement Division offers a wide range of customized sales and marketing programs designed to enhance club operations. Club marketing services include "Friends are Free", a customized referral program; "VIP Preferred Program", our exclusive member retention program, and our comprehensive membership renewal program "Renewal Plus".

MAKING WEIGHT LOSS *FIT* INTO YOUR FITNESS CLUB

By: Donna Krech

April 1982, one year after leaving Bowling Green State University, I went to work in the weight loss field. One month later I accepted a position at Golden Life Health Spa (remember- it was '82, we still called our clubs health spas). It's nearly 22 years later and I've been doing both ever since. At times I worked in *just* weight loss. You know what I mean, the kind of place that told their members NOT to exercise because they didn't want the scale to go up... GOOD GRIEF! At other times I worked strictly fitness. It was GREAT! It was so much fun selling and servicing people who knew fitness was the answer to having a great life. I saw the difference in who was walking into those two businesses immediately. That's what you need to know... there's a vast difference in the fitness member and the weight loss member. No matter which I worked in I knew they had to be blended in order to truly help the overweight person, or any person for that matter, be healthy and accomplish her goals permanently. For 10 years now we've very successfully blended the two. I've owned weight loss and/or fitness facilities since 1986. Our company features women's fitness, which carries weight loss very successfully, as well as weight loss centers that offer an exercise component that's got the overweight market calling, buying and most importantly MOVING! Today I'm writing with one mission; to get you, the club professional, on the right track for success in selling weight loss

in your club.

Yes, we all love working in fitness. AND we all know the overweight population in our country is growing at ridiculous intervals. So we know we must reach out to these folks and get them into our clubs. BUT we don't have a CLUE how to go about it. I sound dogmatic—sorry. It's just that I've been doing what I'm doing for a very long time. I've also sat with many of my fitness industry colleagues, discussing how to make the two work together and walked away VERY frustrated. As fitness enthusiasts we tend to have a, "Hey, just work out. You won't have a weight problem and you'll feel great," attitude. While this IS true, it is NOT the way the overweight market looks at what we do! You want to know how to make this work? I can help. You think you can do things the way you've been doing them? You're mistaken! Take a good, honest look at how many of your present members have 45 pounds or more to lose. It's not that many. How about those who need to lose 75 pounds? You don't even need to answer. Statistics prove they aren't coming into fitness clubs right now. And if you are by chance getting them in, IHRSA stats say they're leaving long before they ever hit their goal. Why? They're not getting what they need. They need results!

Here's something that may shock you. The diet you offer has next to NOTHING to do with getting the overweight market to come into your club. That calls for good marketing! As far as food goes, I'm not an advocate of pure liquid protein, pre-packed foods or any such

stringent approaches. But the fact is every single diet in the world works! A member follows it- it works! Have a nutritionist on site if you want the extra overhead. It's not necessary. Results are what are necessary. All you need is a balanced program endorsed by the proper associations in your state. BALANCED, that's the key to your member's success. Make it something a member can do forever, not just for the time they spend losing weight.

When a prospective member comes into a fitness club they already know that exercise is going to help them with what they need help with. Even if they don't enroll, they're usually excited about the free trial in order to taste what the facility has to offer. A prospective weight loss member, however, does NOT want to hear about fitness. They don't want to exercise, they don't want to discuss exercise, they don't want you to teach them how to exercise! So how on earth is the industry that's most qualified to help them supposed to do that? Easy! Market to them as they are, not as you feel they should be. Sell to them based on where they are at the time, so they'll believe you understand their needs. And base their program around THEM... not someone who's ready to work out! You may be wondering if it's worth the work to make this adjustment in your mindset or if it's even a possible task. Well, right now you're getting 14% of the population through your doors. Attracting and enrolling the overweight person will mean you possess 65% of the market! And the real beauty is when they leave the overweight market,

reducing the percentage of that population; they enter the fitness world, increasing the fitness club member percentage! The idea is to get the member we're not getting today into the full club membership.

How? So glad you asked! With regard to programming, offer a weight management program based on REAL food. A person is most likely to enroll in your club if they believe you're in it for them and that's more likely to happen if you've given them a program that allows them to maintain their weight loss permanently, not another gimmicky, quick fix in the marketplace. DON'T ask them to work out immediately. Ask them to move a little more than they're moving today. As for marketing, use before and after pictures CONSTANTLY! A picture is indeed worth a thousand words, but the right picture is worth MILLIONS! Use real people who've gotten real results and brag on them all over your community! They're your biggest fans. They'll help make wellness programs work by giving personal testimonials of how much better they feel about their job since losing weight. They'll cause results from speaking engagements to soar because they shared their stories. Of the 50+ no-to-low cost marketing techniques our company uses regularly, over 75% of them engage members. And the best part is the members love it.

So, how do you pull this all together and get started? Put interested members on a real food program. Record their results. Design marketing campaigns using these testimonials. "Meet



Donna Krech

'em where they're at.' This means if all they can do with regard to movement is walk the length of their home and back again, praise them for that! Get connected with a good program that will help you understand that a person's weight loss has very little to do with food. Results are dependant on emotional reactions, mental habits, social situations, environmental influences and physical compensation.

Feel free to call us with questions. At Thin&Healthy we've been making this work for a very long time. We've made an amazing difference in our communities... ONE HUNDRED PERCENT of our members following maintenance programs are keeping their weight off!!! We've also made an incredible living in the process. You can too!

(Donna Krech is CEO, Thin&Healthy, Inc., Victory Management, BodyGenics, Inc 419-991-1223 info@thinandhealthy.com)

...Scudder

continued from page 18

go into staff training...finally.

- Club average-age membership will continue to grow older.

- Clubs will raise membership prices across the board.

- Clubs will understand the value of ancillary revenue... big efforts will be made to grow personal training - group fitness - specialty programs' dollars.

- Clubs will begin to reduce the cost of membership sales...some organizations will take drastic measures and become very innovative in the

process.

- "The chasm" will widen! Big-boxers and mass-market chains will dominate in large markets. Independents and service-driven clubs will enjoy more revenue as a fallout result.

- Express clubs will abound...this will be one of the biggest stories of the year.

- Clubs will finally embrace technology and technological applications.

- "Outsourcing" companies will have their best year ever.

- U.S. club membership, for the first time, will see more not-for-profit members than for-profit members...issuing a huge wake-

up call to the industry.

- There will be a major shake-up in at least one national fitness organization.

- Some equipment companies will disappear.

- Several "marketing companies" will disappear.

And I will still be around!...writing this column (thank you Norm Cates for another year of supporting my work)...looking under rocks...calling it as I see it...issuing warnings and trying to help with strategies from my experience out here...sharing the best and the worst...getting in your face...whatever it takes.

I am committed to the

small, independent entrepreneurs in this great business of ours becoming more successful in their endeavors and having more satisfying lives as a result. My column efforts in 2004 will be dedicated to that commitment... and the monthly writings will focus on the businesses-within-your-business of: Personal Training, Group Fitness and Weight Management. These are your BEST profit centers AND your strongest member-retention builders!

For now, Happy Holidays to each and every one of you...a prosperous New Year...may your dreams come true in 2004!

Until next year -
 MICHAEL SCOTT SCUDDER

(Michael Scott Scudder, a contributing author for "The Club Insider News," is a three-decade veteran of the fitness industry. He heads a club management training company based in Taos, New Mexico and Fort Worth, Texas, offering regional-city one-day seminars and an intensive 2 1/2 -day workshop on personal and group training in home headquarters of the Fit For Life Centers in Texas, of which he is a partner. He can be reached at 505-690-5974, by email at scuddertour@directway.com or at his web site, www.scudder_tour.com. Comments and questions are welcomed and encouraged.)

OUR LICENSEES GIVE A "THUMBS UP" TO THIN&HEALTHY® AS:

- A way to make great money
- The best weight management program
- A proven business concept
- An awesome way to make a difference

Meet Melody Wright, Sandy Ingledue, Donna Young and Adah & Kieth (not pictured) Ellerbrock. These folks know why they're involved with Thin&Healthy, Inc. and have agreed to answer some of your most commonly asked questions.

"WHAT MAKES THIS WEIGHT LOSS PROGRAM DIFFERENT?"
"Without a doubt it's that a member can follow it for the rest of their life. Thin&Healthy® has a brilliant way of teaching people how to eat their very favorite foods and still lose weight. Plus the program helps people get moving who never did so before."

"WHAT'S THE BUSINESS MODEL?" "There are 2 specific models, both are elementary. Thin&Healthy® has a comprehensive training program that teaches each one of the systems completely. With as little as 300 square feet and a person to oversee the concept, the business can function well. The marketing strategies get a direct response. We can't keep up with the number of leads we get sometimes! The sales presentation closes sales and the ancillary programs just keep adding to the bottom line!"

"WHAT KIND OF ROI HAVE YOU EXPERIENCED?" "Lets put it this way...we all had successful careers before doing this and we've experienced a 100 TO 400 PERCENT INCREASE over what we made before. An additional 100K NET is realistic when you plug in the systems."

"WHAT WOULD YOU TELL ME ABOUT BEING INVOLVED WITH THIN&HEALTHY®? Its's a great living where you make a great big difference! We've learned how to draw people into a healthy life-style and keep them there! Our communities love us! This organization displays integrity, solid business concepts and support beyond belief! We Love it!"



Visit us at
www.thinandhealthy.com

THIN & Healthy
WEIGHT MANAGEMENT®

...Your Last



For Weight Loss.

Opinions expressed are not claims. Each licensee's results may vary based on the application of the systems taught.

FOR MORE INFO CALL **419-991-1223**

...2003 In Review

continued from page 20

dollar production. However, I have not confirmed this information beyond my one source. So, until I do confirm it, read this. I wrote: "However, a reliable source has told me". I did not write: "and I have confirmed that information through other reliable sources so it is fact." It was reported last month in our November edition that a New York publication had leaked that GGI, Inc. is being prepared to go on the auction block. So, things seem to add up on why Royce is in such a hurry and is so aggressive. That means the new deals that Pulliam is flying around in his jet to put together could possibly one day translate to additional millions for Pulliam if he reaches a certain club number and revenue numbers in time. And, I want to go on record with this. I hope that whomever acquires Gold's Gym International, Inc. takes a fresh and very careful look at what has been going on with the GGI, Inc. organization since Gene LaMott, formerly of 24 Hour Fitness, took the role of President of Gold's Gym International, Inc. There seems to be a link there at GGI, Inc. to Pulliam's group and Kirk Galiani's group that I am trying to put my finger on. I think that link is that the Galiani brothers were the guys who orchestrated the Gold's Gym International buyout by Boca Raton-based Brockway Moran Investment Bankers. Kirk Galiani became the President of GGI, Inc., but departed from that role after a short period of time. And, I have a hunch that Kirk and his brother John, retained a deal with GGI, Inc. for a buyout similar to the one my source says exists for Pulliam. Who knows for sure? They all do. But, I honestly hope the buyout is good for all of the parties because that is what we need to start up again. Good, fresh capital coming into our industry. I will call Kirk Galiani, former GGI, Inc. President, to try to find out what is going on. We swapped phone messages a few months back but I didn't get back to him because I was slammed in another monthly deadline.

Also in the May edition's Norm's Notes, I commented on Ray Wilson's new rollout he is calling "Ray Wilson's Healthy Exercise." And, at the end of those comments, I published a quote from Mr. Wilson. I asked him, "What can

be done to force any **rogue health club operator**" to do the right thing for our industry and to think "long-term", not short-term? He replied, "I think this industry needs you Norm, to **"Tell-It-Like-It-Is."**

Here is a man, Ray Wilson, that has been in the health club industry for 50+ years, stating that we need someone to do what I do. I appreciate that endorsement by Ray Wilson. But, I can tell you this. In the past 10-years I have followed to the letter the blueprint my Faust Roundtable Group #1 and I drew up in our brainstorming session in Chicago in January, 1993. And, the #1 component of that first business plan for *THE CLUB INSIDER* News was to "Tell-It-Like-It-Is."

I mentioned in Norm's Notes that my fine son, Justin Cates, our Computer Layout Director and Webmaster, had just completed a rework of our website and invited each of you

for a visit to:

www.clubinsidernews.com A large contingent of IHRSA club owners and industry leaders convened in Washington, D.C. for the first ever IHRSA Legislative Summit. This was a very important first step in really moving our industry into mainstream America in every way. And, for you independent club owners that have been

"naysayers" about what IHRSA does for you, dealing with the all important government affairs at all levels is high on the list of many IHRSA initiatives. We can thank Big John McCarthy and Helen Durkin and the IHRSA Team. On page #24 in May I published a full-page letter to Ms. Linda McGinnis and the terrific team at Walton Press. They have been my printers for 10 years and two months now. Walton Press has been in business since 1900 and they have been amazing to work with. Walton Press is the very best company of any kind I have ever dealt with in my 30 years as a self-employed business entrepreneur. Check out the Walton Press website FYI: www.waltonpress.com

In Norm's Notes I reported that Joe, "The Gladiator" Moore led the defeat of another huge Municipal Recreation Fitness Center. I

wrote about tough business-man, John Agliario, Chairman and CEO of Cybex, seeking a refinance for his company by December 31, 2003. We reported on the Grand Opening of Bob Provost's Sportsclub Simpsonville in the Greenville, South Carolina. A creation of Rudy "The Fabulous" Fabiano, the new Sportsclub is just awesome. We also had terrific articles from Michael Hoffman on the "PR Moment", and we published another Body Training Systems update chronicling the terrific success of BTS under the leadership of founders Rich Boggs and Ray Irwin.

JUNE 2003



The History of the Health Club Industry
Part I

Our June, 2003 cover contained a 50 year-old photo of (L to R) Bob DeMonteque, Jim Lovell, Ray Wilson and Jack LaLanne as we chronicled the History of the Health Club Industry - Part I. The second article on our page #3 in June announced Ray Wilson's launch of three new club chains; California Fitness Centers in Ohio, Ray Wilson's "Healthy Exercise" and Ray Wilson's Figure Magic For Women. On our page #4 we reported that a "Gym War Rages" in the Midwest and I called for a Peace Treaty Meeting to be held to get the parties (See In Review Page 26)

STRETCHED



Outsource Member Retention and Get Back into Shape.

Managing a fitness facility is not easy. Being pulled in many different directions: overseeing operations, managing employees, budgets, paperwork- who has time to deal with a member retention program? In the course of a busy day, you always find time to say "hello" to those members you see. But when do you have the time to connect with all your members? Retention Management is the solution for clubs serious about retaining members.

We know that memberships are the life blood of your club and retaining and growing a membership base with personal communication in a cost-effective manner provides you with the financial rewards that allow you to prosper. Our full service partnership allows us to work with your club to develop dynamic communication between you and all your members. The result is increased retention and a positive impact on your club's bottom line. We focus on retention so you can focus on your club.



www.retentionmanagement.com 800.951.8048

WARNING!

Be prepared to increase your cash flow!

Is your bank controlling your growth?

Are you looking to expand?

Do you need to renovate?

NO PROBLEM!

The process of converting your membership contracts into cash is called factoring. You can immediately gain access to the cash you need without all the hassles of a bank loan.

Fair Finance has specialized in factoring membership contracts since 1934.

We offer a wide range of services including:

- Membership Factoring •
- Portfolio Management Services •
- Front Desk Member/Management Software •
 - Renewal Programs •
 - Payment Processing •
 - On-Line Access •
 - EFT Programs •

Factor your contracts today!

The process is simple, fast and financially rewarding!



Since 1934

1-800-735-3247

www.fairfinance.com

E-mail: sales@fairfinance.com

...In Review

continued from page 24

together on August 14, 2003 for discussions about how to eliminate the rancor in the region. We reported that Royce Pulliam, the principal target of the other club owners in the region, had promised to attend the meeting. We reported that Gary Albert's ActivTrax had teamed with the President's Challenge.

In Norm's Notes, among many items, we announced that Steve Vucovich, 17-year owner of Apple Athletic Club in Idaho, had lead the defeat of a huge \$13 million Municipal Recreation Facility. We reported another "Alleged Bottom Feeders Update" situation in Illinois where an operative from the X-Sport Fitness chain had apparently placed a stack of their flossy four color magazines inside TCA's Forest Grove Athletic Club. We congratulated

our terrific printing com-pany, Walton Press on the installation of a new \$4.6 million high-tech DGM 440 web press. (It printed this issue). We announced that John Agliarolo had secured a new credit facility for Cybex from CIT Business Credit and Hilco Capital LP. We shared the news that Ron and Sandy Franco, owners of Franco's Athletic Club, had installed a new Tony Hawk Skate Park at their club in Mandeville, LA.

In our "PR Moment" column we told the story about Joe Cirulli's Gainesville Heath and Fitness Center leading a move to make Gainesville, Florida the Healthiest Community in America as it was the FIRST and ONLY city in America to earn the coveted "Gold Well City USA Award!" We published more terrific articles from Bonnie Pfeister on the "PR Moment", Michael Scott Scudder on "Things I Like In Health Clubs"

and from Karen Woodard on Lead Generation.

This wraps Part I of our "2003 In Review" Report. Part II covering the months July through Decem-ber, 2003, will be published next month along with a terrific Cover story about my friend and health club industry friend and guru, Michael Scott Scudder. **STAY TUNED!**

...Norm's Notes

continued from page 7

center a few doors down, they are building a terrific new 6,000 square-foot Fit for Life Group Fitness Center which will feature the best in the business worldwide, Body Training Systems. I am really looking forward to following that development. Let me tell you all this. I am sure that Michael Scott Scudder, even though he lives in New Mexico, was right there in spirit when I walked into the City View Fit For Life. I mean it was eerie to me. I have published Michael's excellent articles for years and appreciate greatly his contribution to this industry. And, I have listened to Michael speak countless times. Scudder comes from the heart and that is what this business should be all about. And, I felt his presence in that Fit For Life Center in Fort Worth, Texas, even though he was in Taos, New Mexico at the time. Look for our January Cover story on Michael Scott Scudder. Robert and "Pinky" (Robert's wife) Dyer, Ken Hoover and Michael Scott Scudder operate a health club that, although small, is a huge credit to our industry.

It is great to learn the KIRK and JOHN GALIANI have formed a partnership in North Carolina with the 5 Pulse Athletic Clubs, bringing the clubs into the G Group II, now an 11-club group. This news eases my worry about my pal RICK ZIMMERMAN (CEO of the Pulse Group) since Galiani had announced a few months back they were installing 7 Gold's Gyms in the N.C. Research Triangle area. Something would have to give if all those 7 were newbuilds. It could be pulse.

They're coming to take him away, HA! HA! Saddam Hussein is going away HA! HA! HA! HA! HA! We love you men and women "over there!"

I hope to see you in Las Vegas in March, 2004! Happy Holidays and Happy New Year! GOD BLESS AMERICA and our Troops overseas. STAY TUNED!

HealthandWellnessJobs.com

Find the Fitness Pros!

We post jobs specifically for health and fitness clubs

- Group Exercise Leader
- Exercise Specialist • Club Managers
- Personal Trainer • Pilates Instructor
- Membership Sales • Nutritionist/Dietitian
- Massage Therapist • Yoga Instructors

HealthandWellnessJobs.com

Phone: 281.794.7879 / Email: scott@healthandwellnessjobs.com

Norm Cates' **THE Club Insider** NEWS

INFORMATION REQUEST

If you would like to receive information from or be contacted by advertisers in this issue just clip or photocopy this form, mark the block(s) of the respective companies, complete the information requested in the blanks and fax to the number shown.

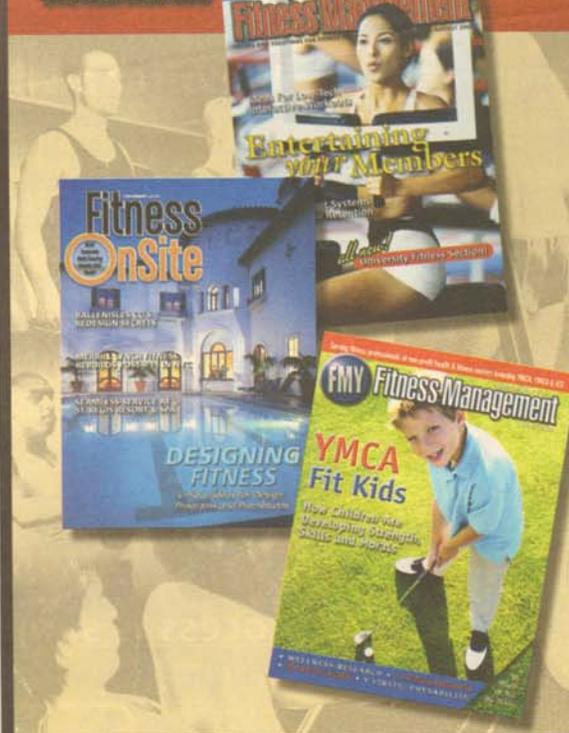
Please mail information to me _____ Please contact me at the number written below

Name: _____
 Club or Company Name: _____
 Address: _____ City: _____
 State: _____ Zip: _____
 Phone #: (____) _____ - _____ Fax #: (____) _____ - _____
 E-Mail: _____

Club Insider News Advertisers

- | | |
|-----------------------------------|--|
| Ray Wilson Ventures - Pg 13 & 14 | Fax#:(760) 431-1974 |
| Med X - Pg 28 | Fax#:(352) 373-1507 |
| CheckFree Corp - Pg 2 | Fax#:(678) 375-3304 |
| Sales Makers - Pg 7 | Fax#:(845) 736-0508 |
| Affiliated Acceptance - Pg 9 | Fax#:(816) 753-1429 |
| Springfield Corp - Pg 8 | Fax#:(770) 729-0995 |
| Body Training Systems - Pg 27 | Fax#:(770) 424-1590 |
| Fit To Go - Pg 18 | Fax#:(662) 841-1720 |
| ActivTrax - Pg 17 | Fax#:(301) 840-0041 |
| Fitness Management Mag - Pg 26 | Fax#:(323) 964-4837 |
| National Gym Supply - Pg 15 | Fax#:(310) 280-0937 |
| Friday Reports - Pg 12 | Fax#:(212) 987-4227 |
| Fabiano Design Intl. - Pg 11 | Fax#:(973) 745-5103 |
| Fair Finance - Pg 25 | randym@fairfinance.com |
| ABC Financial - Pg 21 | Fax#:(501) 992-0851 |
| SolRac Impact Design - Pg 19 | Fax#:(770) 947-8004 |
| JLR Associates - Pg 10 | Fax#:(781) 431-0890 |
| IHRSA Convention - Pg 16 | Fax#:(617) 951-0056 |
| Thin And Healthy - Pg 23 | Fax#:(419) 991-6983 |
| Retention Management - Pg 24 | Fax#:(704) 895-0035 |
| HealthandWellnessJobs.com - Pg 26 | scott@healthandwellnessjobs.com |

Fitness Management MAGAZINES



For subscriptions to any of these magazines, visit our website at:

<http://www.fitnessmanagement.com>

For advertising, call your representative today

- | | | |
|---|--|--|
| ChrisBallard/Publisher
323 801-0189
Chris@fitnessgmt.com | AndeeBell
614 921-8827
Andee@fitnessgmt.com | ScottChristie
512 828-4240
Scott@fitnessgmt.com |
|---|--|--|

GOT PROFITS?

bodytraining**systems**.



"Body Training Systems accounts for 1500 new members and \$1 million in revenue that we didn't have before. In addition, we avoided about \$100,000 of additional investments in capital equipment over the first two years with BTS."

- Gordon Johnson, Gold's Gym Owner

"In just three years with Body Training Systems, annual revenues increased by \$1.2 million and our earnings increased by \$400k."



- John Bonica, Global Fitness Owner



"In only 7 months, BTS has reinvented Group Fitness programming at WOW! We have experienced more than a 300% increase in class participation and more than a 25% increase in guest traffic across our seven clubs."

- Stephen S. Roma, WOW! Work Out World Owner/Chief Operating WOWzer

SEE HOW TO MAKE YOUR CLUB
MORE PROFITABLE
IN LESS THAN 15 MINUTES.

HERE'S HOW:

1. Request the **FREE** video from profits@bodytrainingsystems.com.
2. Watch the 15-minute video.
3. Evaluate our systems **RISK FREE** for 90 days.

Developed by:



www.bodytrainingsystems.com

800.729.7837

GET STRONG TO THE CORE

The Core Spinal Fitness System™

STRENGTH. STABILITY. FLEXIBILITY. ENDURANCE. The Core Spinal Fitness System™ by MedX is the only workout system clinically proven to deliver these four factors essential to spinal health. And because a strong and flexible core provides a solid foundation for all body strength, The Core routine enhances results from other exercises throughout the entire body. Whatever the goal of any exercise regimen – from aesthetics to specific sports training – The Core Spinal Fitness System is the first step to success.

The Core workout is delivered through a series of bio-mechanically precise exercise machines specifically designed to target, isolate and strengthen spinal muscle groups. Or to promote and improve flexibility. The Core Spinal Fitness System is unique, patented and a direct descendent of the most technologically advanced medical rehabilitation equipment in the world.

Whether you're a fitness club owner or personal trainer, a demanding coach or rehabilitation specialist, The Core Spinal Fitness System by MedX can give you a competitive edge. Because at the core, you're just going to be stronger.

Core Lumbar Strength



Core Super Stretch



Core 4-Way Neck



Core Ab Isolator



Core Torso Rotation




The Core
Spinal Fitness System™

For more information call
Toll Free 1-866-814-0719
or visit www.CoreSpinalFitness.com