

THE FITNESS COMPANY

Network News

TFC Uses Power of "Network" to Reduce Club Expenses

A purchasing survey of eight TFC managed clubs revealed that seven of those clubs were using the same 8lb, 24" x 48" towel and all eight ordered from different suppliers. The average cost per one dozen towels was \$20.75. Some clubs were paying as much as \$22 per dozen. By using the negotiating power of the "Network," TFC was able to secure a price of \$17.50 per dozen from Peterson Linen. This cost savings is projected to save some individual clubs over \$2,000 per year!

NEWSLETTER PROGRAM

Eight clubs participated in a trial program aimed at reducing the time and money required to produce member newsletters. During the last six months, each of the participating clubs supplied two pages of club-specific information by the first of each even numbered month. Two pages of generic health and fitness articles, which were previously created at each club, is now produced once for all clubs to share. Typesetting charges per club for each four-page newsletter were reduced from \$240 per issue to \$150 per issue. Printing costs per newsletter is only \$.12. Some individual clubs are saving as much as \$4,000 per year. The program is being expanded to include all 43 clubs.

TREADMILL SERVICE AGREEMENT

Quinton Instruments manufactures the industry's best treadmills and supports their sales with a 24-hour, complete parts and labor service agreement. Considering the price of replacement parts and hourly labor costs, Quinton's service agreement is the most cost effective means of maintaining the treadmills. Once again, TFC used the purchasing power of its "Network" to negotiate Quinton's only service agreement discount. Clubs will now pay 15% less than any other health club for its service contract. Participating clubs will save an average of \$110 per treadmill per year.

Executive Fitness Center Receives NOVA7 Award

Executive Fitness Center at International Square in Washington, DC was recognized by *Fitness Management Magazine*, in its December 1993 issue, as one of the finalists for its NOVA7 Awards. EFC's "winning idea" involved rewarding employees' extra effort and "five diamond" level service. Employees fill out a card when *they* feel they have provided superior customer service or improved the club in some way above and beyond what is normally expected. Employees are rewarded for their efforts with a cash bonus ranging from \$5 to \$50. No longer do the club's employees perform tasks that are overlooked. "I had no idea how many extra things the staff was doing to make this club successful" said Matt Bradbury, General Manager. Since the program was implemented, the club has benefitted by having employees who are more motivated, more aware of day-to-day operations and know how much they are appreciated.

TFC Representatives Speak at Industry Conferences

Terry Blachek, TFC Vice President, has been invited to speak at the IRSA National Convention in Reno, Nevada in March and at IRSA's New England Regional Conference in April.

Danielle Bouchard, Assistant General Manager of The Aspen Hill Club also spoke at the IRSA National Convention in Reno, Nevada about career opportunities for women in the health and fitness industry

Rich Mandley, TFC Vice President, will participate in a panel discussion at IRSA's Mid-Atlantic Regional Conference in April.