

"We're confident that this book has the potential to be a bestseller," says John Duff, the publisher of Perigree.

Health Club Tax Proposal Killed In Pennsylvania

> The impact that informed voters can have on the legislative process was demonstrated recently when the Special Session Conference Committee of the Pennsylvania legislature agreed to send Special Session House Bill 39 to the full House and Senate for a vote—minus provisions that would have imposed a 7% sales tax on health clubs. More than 700 Pennsylvania fitness professionals and club members had sent some 3,560 e-mails to their legislators to oppose details in the property tax reform bill that would have increased the state's sales tax (to 7%) and expanded it to include consumer services, such as club memberships. By one estimate, the elimination of those provisions may save Pennsylvania club members as much as \$63 million a year in extra taxes. ■

Cuts Fitness Sets Sights On the Bestseller List

Fitness franchise pens men's guide to fitness, launches Cuts University

> John Gennaro, who founded the Cuts Fitness for Men express-workout franchise in 2003, is taking a page out of the book of Gary Heavin, the founder of Curves International, Inc.

Over the past few years, Heavin has written, or contributed to, several best-selling, healthy-weight-loss guides for women under the Curves banner. Now Gennaro, teaming up with Steven Haase, Cuts' managing director, and Myatt Murphy, a former editor of *Men's Health* magazine, hopes to replicate Heavin's success—but for the male market. The three are currently putting the finishing touches on *The Cuts Fitness For Men Guide to Exercise and Healthy Lifestyles*, which is scheduled for publication next year.

"The average person working out in a club doesn't really get why they're there

from a health standpoint," claims Haase. "In this book, we're going to present this information in a very basic, simplistic way to help people understand the health-related reasons why they should exercise."

The entry-level tutorial will deal with such topics as cholesterol, diabetes, heart disease, and maximum heart rate, as well as the importance of exercise, nutrition, and regular doctor's visits. Perigee Books, a division of G.P. Putnam's Sons, which published Heavin's *Curves* in 2003, approached Gennaro to write the book.

The guide will be sold through major retail distribution outlets, and will also be available at most of the 100 Cuts for Men franchise locations, which are now located in 32 states and five countries.



Author! John Gennaro

"Cuts is expanding its focus from being a fitness-solution provider to also being a fitness educator," explains Gennaro. "In addition to publishing this guide, we're also creating a Cuts University, which will educate members about exercise, nutrition, and healthy lifestyles. We believe this will help people to become, and remain, committed to healthy lifestyles, which, in turn, will improve member retention." ■

Market for Club Properties Is Sizzling!

Will LivingWell and Next Generation be the next chains to fetch top dollars?

> If developments in the U.S. and U.K. are any indication, club properties are becoming an increasingly attractive and liquid commodity. In recent years, in the U.S., there have been major sales involving Gold's Gym International, Inc. (GGI), 24 Hour Fitness Worldwide, Inc., and

Bally Total Fitness (NYSE: BFT), and Bally's entire business is now being shopped by potential buyers. In the U.K., Fitness First has changed hands, and now, two more chains—LivingWell and Next Generation—seem about to do so.

In April, the Hilton Hotels

Corporation (HHC), based in the U.S., appointed advisers to sell its LivingWell health club group, seeking \$173.8 million. HHC acquired the stand-alone chain, which consists of 25 clubs in the U.K. and three in Australia, when it purchased Hilton International, based in the



For sale LivingWell club