



## Philosophy

There are no judgments here – no too much or not enough, no glares of disapproval. Here we keep open minds. We are nurturers. We seek only to encourage, empower and entertain. There is no one type. There is no one reason. There is no one way. What we are is a diverse community; what we have is a culture of fun; what there is, is room for everyone: all kinds of people with all kinds of goals who've chosen to reach them with us.

Crunch. No Judgments.

## History

Of all the great histories of all the great health clubs, Crunch's begins rather inauspiciously: in a basement level aerobics studio in New York City's East Village circa 1989. This, our first location, had no locker rooms, the air conditioning didn't work and after hours break-ins were perennial events.

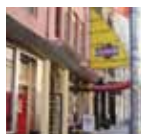
However, while we lacked the resources to equip the gym with some basic amenities and strong locks, we were on an important mission - to make exercise fun. And accomplishing this mission meant doing away with traditional notions of what a 'serious' workout should be. No easy task. What we did was to invite a highly creative group of fitness instructors with a wide range of expertise to collaborate with us. The result was the development of challenging programming with a completely fresh slant. Offerings like Hip-Hop Aerobics (featuring a live rapper), Co-Ed Action Wrestling and Cyked Yoga Cycling were introduced and, along with others, became the embodiment of this new approach.

The response was overwhelmingly positive, even by jaded New York standards. Members embraced these new kinds of classes and began to tell their friends who, in turn, told their friends who, in turn told their friends (and so on and so on). Soon, lots of people were coming to experience Crunch's unconventional new take on traditional fitness.

Fast forward nearly twenty years to the present and Crunch has grown from that one tiny aerobics studio with no air conditioning into a collection of 19 state-of-the-art gyms in locations such as Los Angeles, San Francisco, Miami, and, of course, New York (and more to come). It stands as a rapidly growing brand that fuses fitness and entertainment to make working out fun, bringing a host of unique services and products to our active and expanding clientele.



**1989** Crunch is founded as an innovative fitness center with edge and urban appeal.



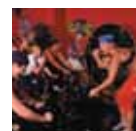
**1992** Crunch closes the East Village class studio and opens 2 new locations.



**1994** Crunch acquires a third location on Lafayette Street in NYC.



**1995** Crunch develops a series of workout videos and introduces a new tagline: No Judgments.



**1996** Crunch acquires a fourth location, this one in Los Angeles, CA, making us a bi-coastal company.



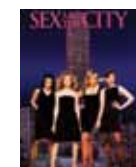
**1997** Crunch licenses publishing, footwear and music to Japanese brand to open an outpost in Tokyo; launches the Bunny advertising campaign.



**1998** Crunch expands to a total of 8 locations by opening clubs in Miami Beach and San Francisco.



**1999** Crunch creates Cardio Striptease and Broadway Dance Series (classes taught by real Broadway cast members).



**2001** Crunch opens clubs in Atlanta, Chicago, Orange County and New York; is featured in hit shows like Sex and the City and Will & Grace.



**2002** Crunch's 19 locations are acquired by Bally Total Fitness for \$97 million. The new owners immediately open 2 more locations in NYC.



**2004** Crunch introduces Pole Dancing and Stiletto Strength classes. Another 4 locations are added in Chicago.



**2006** Crunch is purchased by the Angelo Gordon investor group.



**2007** Crunch introduces AntiGravity® Yoga 'Wings' and TRX classes as well as an updated color palette.



**2009** New Evolution Fitness Company joins Angelo Gordon as an investment and operating partner.



**2010** The Crunch franchise business launches and the search for dynamic, hard-charging franchisees is underway.



## THE CRUNCH WEIGH

The Crunch Weigh is a simple system that showcases our franchises' offerings, making it incredibly easy for both members and non-members to find exactly what they want once they set foot through the door.

## No Judgments Philosophy

At the core of creating the right atmosphere in our franchises is our No Judgments philosophy, a point of view that promotes diversity and acceptance; that creates a warm, welcoming environment for members; and that puts them at ease.

## Pressure Free Enrollment

Our franchises rely on a method of pressure free enrollment, an approach designed to make the entire process – from purchase to workout – both comfortable and empowering.

## Personal Training/Personal Training Bar

Not only are all franchises staffed with personal trainers who have certifications in a wide variety of specialties, they feature opportunities for members to interact with those trainers, which paves the way for more personal training revenue and improved retention.

## Online Fitness and Nutrition

Regardless of what they're looking to accomplish – lose weight, gain muscle or simply live better – our members have a couple of secret weapons: the dotFit online nutrition and fitness program and dotFit's extensive line of nutritional products.

## Class-ic Training

The Class-ic Training program takes the best of Crunch's world renowned group fitness program and combines it with the skill set of Personal Trainers to provide workouts that work well.

## Free Tanning

Our unlimited tanning gives members who want to put a finishing touch on their newly refined physiques the ability to do so.

## The Value

One of the greatest features of our franchises is the incredible value they offer to members – the sheer amount of bang for the modest amount of buck delivered.



### **Jim Rowley – Chief Executive Officer of New Evolution Fitness & Crunch Fitness**

Jim is a proven leader in the fitness industry with over 20 years of experience. During his career, he worked for 17 years with 24 Hour Fitness where he started in club management and quickly moved into executive management holding positions as District Manager, Regional Vice President and Vice President of Fitness, taking a business unit from \$95M in sales in 2001 to over \$300M by 2007. Jim finished his tenure with 24 Hour Fitness in 2008 as Division President, responsible for over 225 clubs and 9,000 employees. Jim is the cofounder and CEO of New Evolution Fitness Company which owns and operates multiple fitness brands around the world. Jim is also the CEO of Crunch.



### **Ben Midgley – President Crunch Fitness Franchise**

With over 20 years experience, Ben has a history of success at every level starting with winning the prestigious title of IHRSA Sales Person of the Year in 1995. Ben was recruited by 24 Hour Fitness in 1999, when he accepted the position as Divisional Director of Corporate Sales. Within two years, Ben was promoted to Senior Director of Corporate Sales for the entire company. In this role he managed the relationships of more than 5,000 corporate accounts, as well as over 40 corporate sales managers and 375 health clubs nationwide. In 2008, Ben took the position of Executive Vice President of Planet Fitness and World Gym International where he was responsible for a total increase in sales of over 100% in a year and half. Additionally, Ben is a recognized expert in the area of corporate wellness, business management and sales. He is the co-author of a ground breaking book Golden Circle Secrets focusing on sales management. Ben now serves as the president of Crunch Franchise.



### **Mike Feeney – Senior Vice President, New Evolution Fitness**

Prior to coming to Crunch, Mike's responsibilities as a Vice President at 24 Hour Fitness included leading a facilities and development team of hundreds, managing capital improvement plans of \$75 million annually, negotiating national account contracts for purchasing with multiple vendors, and designing, developing and remodeling hundreds of clubs annually. In his current role as Senior Vice President of Crunch's franchise operation, he oversees facilities planning, design, construction and asset purchasing – activities that include concept and prototype development, facilities maintenance, design standards, capital budgeting, capital purchasing, vendor contract pricing and asset management.



### **Jim Somoza – Chief Development Officer, Crunch Fitness**

Jim has decades of experience working as both a commercial real estate attorney and broker, and has structured and negotiated commercial lease and purchase transactions on behalf of tenants, landlords and investors/developers. As President of ATC Management he oversaw the development of the 1.8 million square foot Chelsea Market complex in Manhattan and was responsible for marketing, leasing, planning, construction, community relations, tenant relations, legal issues and operations. As Chief Development Officer for Crunch Fitness, Jim has been responsible for all real estate-related activities including site selection, lease negotiations, acquisitions, landlord/tenant issues, space planning, and construction.



### **Donna Cyrus – Senior Vice President of Programming, Crunch Fitness**

Donna has long been recognized as an industry innovator for bringing cutting edge workouts into the gym, first as the owner of Club Body Tech gyms in Florida and later as the SVP of Programming for Crunch. During her career she's forged numerous partnerships with various entertainment properties – Broadway shows, feature films – as well as equipment manufacturers to develop unique, engaging programming. In 2007, she received the coveted ECA Lifetime Achievement Award and in 2008 was nominated for the World IDEA 2008 Program Director of the Year.



### **Derek Gallup – Senior Vice President of Personal Training & Retail, Crunch Fitness**

Derek began his career in fitness at Gold's Gym in Hawaii, where turned the retail departments of 4 locations into the franchise's most successful. Moving to 24 Hour Fitness, he ran the apparel, workout accessory and fitness beverage components of the brand's retail business, garnering \$20 million in 200-plus locations. He then introduced supplements to that business, earning \$50 million in 300-plus locations. In 2007, as Vice President of Fitness, Derek grew sales of Personal Training and supplements to over \$300M annually. He now serves as the Senior Vice President of Personal Training and Retail at Crunch.



### **Christina DeGuardi – Vice President of Marketing, Crunch Fitness**

Christina brings a unique approach to all brand communication, one that's informed by her 17 years of experience dealing with premier brands at agencies across the globe. In that time, she's worked in all mediums and managed the production of multi-tiered campaigns for large-scale accounts, like Burger King and Volvo, fostering her understanding of strategy and positioning, business development and B2B sales strategies for brands with a franchise component. She's spent the last 3 years at Crunch where she manages a full marketing team and creative department with expertise in media, public relations, promotions, copywriting, websites and production.



### **John Merrion – Director of Club Development, Crunch Franchise**

John joined Crunch Franchise as Director of Club Development in October 2009. John has nearly 20 years of experience in sales development and operations. Throughout his professional tenure, he has worked with such companies as Nextel Communications, T-Mobile USA, and most recently with Cartridge World USA, as a Director of National Accounts and Franchise Operations. John was responsible for operations and sales development for 700+ Cartridge World national retail locations. He worked strategically with 25 area developers and operations teams in the U.S. to open new store locations. John currently lives in Lafayette, CA with his wife and 2 children.



**CLUB BUSINESS  
INTERNATIONAL**

"Members and the media were soon using words like *imaginative*, *original* and *quirky* to describe this growing chain of clubs." [CLUB BUSINESS INTERNATIONAL - MARCH 2010](#)

**Los Angeles Times**

"Crunch in West Hollywood; situated next to an art house movie theater, this workout haven boasts a juice bar, boxing ring, live DJ's and a long list of celebrities who sweat it out there." [SUN TIMES \(LA\) - MARCH 2010](#)



"Many people find traditional workouts to be boring and not much fun. Crunch hopes to change that tone this year with workouts that are entertainment and fitness combined." [CBS MIAMI - JANUARY 2008](#)

**Health**

"This popular urban gym takes full advantage of its big-city setting, making working out as entertaining as it is healthy. Crunch's cutting edge classes, from AntiGravity Yoga to Pole Dancing, win our judges' praise (and perfect scores)." [HEALTH MAGAZINE - APRIL 2009](#)

**CLUBSolutions.**

"In the basement of a small New York City apartment complex, Crunch was born. Crunch had kept its small persona but had become an internationally recognized brand that was appealing to Rowley." (article on inception of new CEO Jim Rowley) [CLUB SOLUTIONS - DECEMBER 2009](#)

**OCEAN DRIVE**

"Crunch bills itself as the leader in innovation and creativity. Often cited as the gym with the best classes, Crunch also offers incredible beach views. What better motivation is there to stay fit?" [OCEAN DRIVE MAGAZINE - MAY 2007](#)

**NEW YORK POST**

"In a close battle between "Push-Up Warrior" Ray Salamone and former boxer Kedric Fink (Crunch trainer), it's Fink by a decision - mine. I can't see getting bored by his workouts. His routines seem great for getting stronger and more coordinated." [NEW YORK POST - MAY 2008](#)

**Los Angeles Times**

"It's no small achievement to be considered Numero Uno at Crunch, the West Hollywood gym famous for its young, hip, entertainment-industry crowd that loves thumping music and hot classes such as pole dancing." [LOS ANGELES TIMES - JANUARY 2007](#)



"Every Tuesday, Crunch gym opens its doors to the public for a free 6 to 9pm happy hour, featuring live DJ's, group classes and more than a hundred ways to make you sweat." [7X7 - JUNE 2009 "NAMED "BEST POST-WORK PUMP-UP"](#)

**TimeOut  
New York**

"[Crunch] offers a wide variety of ways to work out, with more than 50 cardio and weight machines, 50 spinning cycles and a boxing ring. If machines aren't your thing, try one of the many classes from the classic (aerobic, Pilates) to the quirky (like Zodiaction, which combines fitness and astrology)." [TIME OUT NEW YORK - FEBRUARY 2008](#)

**San Francisco Chronicle**

"Stiletto Strength fits in with Crunch's repertoire of edgy classes, with a roster that includes pole dancing, videography to teach dances from popular music videos, a strip-tease class and yoga done to rock music." [SAN FRANCISCO CHRONICLE - FEBRUARY 2010](#)