

# GET TO KNOW CRUNCH FITNESS

*The fastest growing full-size fitness franchise*







# ALLOW US TO GYM-TRODUCE OURSELVES

## OUR 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. **#NOJUDGMENTS.**

## OUR HISTORY

Crunch wasn't always the fitness industry powerhouse it is today. It was once a sweaty, basement-level aerobics studio in New York City's East Village. The year was 1989 and this was our first location. There were no locker rooms, no air conditioning, and not much security – break-ins were a regular occurrence.

Though the locks were weak, our resolve was not. We were on an important mission to make exercise fun and this meant ignoring the traditional definitions of what made for a 'serious' workout. In collaborating with a highly creative and varied group of fitness instructors a challenging program with a completely fresh slant was born. Classes like Hip-Hop Aerobics, 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 workouts and began to tell their friends about them. Then they told *their* friends about them. Soon, that tiny NYC studio was packed like the 4 train during rush hour. People were in love with Crunch's unconventional new take on traditional fitness.

Now, more than three decades later, Crunch is still a gym that believes in making real exercise really fun by fusing fitness and entertainment, always remembering the No Judgments philosophy.



# OPPORTUNITY A-WEIGHTS

Besides the opportunity for *healthy* profits, owning a Crunch franchise means joining a community of like-minded entrepreneurs, working with a team and system at the top of the industry, and doing something with purpose: helping people build better lifestyles.

Crunch franchisees present their community with an incredible value. From No Judgments, to proprietary group fitness classes, to pressure-free enrollment and complimentary tanning, to personal and small-group training, they have more to offer than the competition, and all at an unbeatable price.

## NEED A SPOT?

## WE PROVIDE THE HANDS-ON SUPPORT & TOOLS NECESSARY TO THRIVE

### SITE SELECTION

One of the most important decisions franchisees make is one of their first: where to put it.

At Crunch, our real estate team has extensive experience with site selection. They're tuned in to market trends on a national level and work with specific demographic information, competitive maps and algorithmic member projections to help analyze each prospective location. We can advise on lease negotiations and perform in-person market tours.

### DESIGN & CONSTRUCTION

Our experts will help during all phases of a club's design and construction. A design manual & prototypes provide all necessary information in a straightforward format.

Our team lays out the club, reviews plans, helps structure contracts with the builder and stays in close communication with the contractor throughout the project. We also do site inspections to ensure projects stay on track - all with the goal of helping our franchise partners land the perfect location, build it right and to launch with as little stress as possible.

### FINANCING OPTIONS

We assist our franchisees as they navigate the financial and capital landscape, offering guidance and recommending products and services for funding their Crunch gym. With several dedicated lending pools of funds for our franchisees, there are a multitude of options to consider.

### TRAINING & DEVELOPMENT

Crunch franchisees receive world-class training in the classroom, club and online for their staff before the club opens. After opening, we continue to provide ongoing education and consultation. In all, Crunch franchisees receive over 200 hours of training!

### ONGOING OPERATIONS SUPPORT

We're partners for the long haul. Our franchisees have a dedicated team - across sales & marketing, operations, finance, real estate, group fitness, construction, personal & small group training - available as resources for running and operating their Crunch gym.

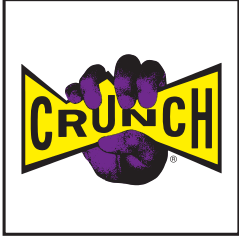




# IT'S A DATE



## 1989



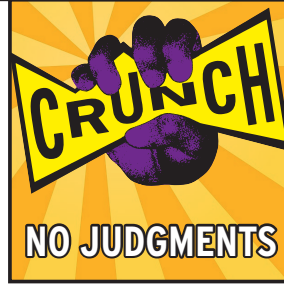
Crunch founded in NYC

## 1992



2 new locations!

## 1995



The No Judgments tagline & philosophy introduced

## 1996



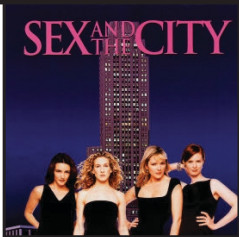
We hit the West Coast

## 1999



Cardio Striptease & Broadway Dance

## 2001



Featured on popular tv shows

## 2002



Bally Total Fitness acquisition

## 2004



Pole Dancing & Stiletto Strength

## 2006



Crunch is bought by AG & CO.

## 2009



New Evolution Fitness partnership

## 2010



The Crunch Franchise business launches

## 2013



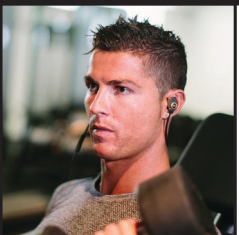
Crunch Live launches

## 2016



100th franchise location opens / over 700 franchises sold

## 2017



iHola, España! Cristiano Ronaldo's 2 CR7 Crunch Fitness locations open

## 2019



In June, TPG Growth in partnership with Management acquires Crunch

## 2024



Over 2.5 million members across 450 gyms in 41 states and 6 countries

# SOME GYM-PRESSIVE STATS

1. Ranked #1 in Fitness Category for 2024 by Entrepreneur.
2. 450 open locations in 41 states and 6 countries.
3. 1,500 franchise rights sold.
4. 2,500,000 members.
5. Best value in the low-price gym segment.





# WHAT MAKES US, US



## THE NO JUDGMENTS PHILOSOPHY

Getting to the gym isn't always easy. That's why **#NOJUDGMENTS** is at the very core of creating the right atmosphere in our clubs. Our gyms are inviting spaces where diversity and acceptance are celebrated so that fitness can be accessible, empowering and fun for everyone.



## GROUP FITNESS

The Crunch Group Fitness program is both ground and sweat-breaking. The combination of proprietary classes, incredible creativity in planning and talented, energetic instructors results in an experience not often found at franchised fitness locations.



## PRESSURE-FREE ENROLLMENT

Crunch relies on a method of pressure-free enrollment, an approach designed to make the entire process – from purchase to workout – both comfortable and empowering to consumers.



## PERSONAL TRAINING

Our clubs are staffed with knowledgeable and friendly personal trainers. With a wide variety of certification and specialties there's a trainer perfect for any member's individual needs and goals. Successful personal training programs leads to additional revenue and improved retention.



## ONLINE FITNESS & NUTRITION

Regardless of what members are looking to accomplish – weight loss, muscle gain, or simply living better – our partnership with dotFIT, their online program and extensive line of nutritional products are available to help. These give gym-goers of all fitness levels the tools they need to create personalized plans.



## RELAX & RECOVER®

R&R® services, such as Hydromassage®, red light therapy, dry sauna, tanning, and more, soothe hardworking muscles and enable relaxation after challenging gym sessions. For many, recovery services are an important part of their gym selection.



## THE VALUE

With so many of the amenities high-cost gyms boast for a modest price, Crunch Fitness is an amazing value.



## ADVANCED HIGH-INTENSITY TRAINING

We understand that when we make serious fitness fun, it's hard for members to get bored. That's why we've launched The HIITZone: an innovative space dedicated to advanced high-intensity interval training. Members are challenged in a fun and engaging small group setting with a variety of experiences exclusive to Crunch.



GET THE PICTURE





# GET THE PICTURE



## WHAT'S INSIDE COUNTS

We take pride in a gym designed around the consumer. We're constantly working hard to gym-prove the fitness experience with clubs that are squeaky-clean, up-to-date, and full of fun and inviting spaces.





# GET THE PICTURE



## HIITZONE IS IN SESSION

We understand that when we make serious fitness fun, it's hard for members to get bored. That's why we created The HIITZone: an innovative space dedicated to advanced high-intensity interval training. Members are challenged in a fun and engaging small group setting with a variety of experiences exclusive to Crunch.





# GET THE PICTURE



## LET'S SWEAT TOGETHER

We keep things exer-citing with zillions of innovative classes and instructors with impossible amounts of energy.





# THE TEAM

## JIM ROWLEY

### CEO, CRUNCH WORLDWIDE

Jim Rowley is a 30+ year veteran of the fitness industry. As Crunch's Worldwide Chief Executive Officer, Jim leads the team responsible for day-to-day operations, franchising, development, and marketing of the brand's 450+ locations.



Jim proudly served his country for eight years as a U.S. Marine. After the Marine Corps, Jim started his fitness career at 24 Hour Fitness, where he held multiple management positions, from club General Manager to Senior Vice President of Fitness.

Jim joined 24 Hour Fitness founder Mark Mastrov in the launch of New Evolution Ventures (NeV), where he served as CEO. His responsibilities included the day-to-day operations of NeV's global investment portfolio, which, in addition to Crunch Fitness, included UFC GYM, Hard Candy, YogaWorks, Chile's Energy Fitness, Alex Rodriguez's Energy Fitness Mexico, and more, spanning over 20 countries worldwide and hundreds of locations.

## DAN GALLAGHER

### CHIEF FINANCIAL OFFICER

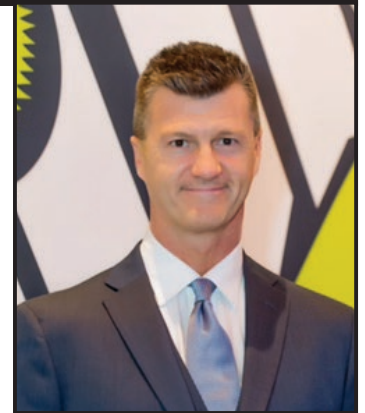
Appointed in 2018 as Crunch's Chief Financial Officer, Dan has 16 years of experience in senior management positions, including two years as President and six years as CFO at Town Sports International, a publicly-traded fitness chain. Dan has a strong accounting and finance background, with nine years experience at PwC, including manager roles in both Business Assurance and Transaction Services.



## BEN MIDGLEY

### CEO, CRUNCH FRANCHISE

Ben Midgley is a 25+ year veteran of the fitness industry and the only person in the industry to serve as the CEO and/or President of the 2 largest and fastest growing full-size high value low price franchises. He has led the growth of Crunch Franchising from concept to one of the largest and fastest growing companies in the industry, and is regularly featured in/on prominent business publications and programming. He is a co-Author with his father of Golden Circle Secrets (published by John Wiley & Sons) that on release reached the #1 ranking on Amazon.com for Sales Management and Customer Service books and is a contributing writer to Forbes.com



## MOLLY LONG

### CHIEF EXPERIENCE OFFICER

Joining Crunch in 2023, Molly is responsible for driving enhancements to the membership experience and improving the entire member journey. She has a longstanding track record for driving transformational change inside large organizations. Prior to Crunch, she was the Vice President of Store Innovation + Store Design for 7-Eleven, Inc. where she led the most significant update to the store experience in over 25 years. In addition, Molly spent several years in management consulting across a wide range of industries, including retail and food service, specializing in transformation and leading strategic growth plans.





# THE TEAM

## CHAD WAETZIG

### CHIEF MARKETING OFFICER

Chad joined Crunch in 2016, previously holding the position of Chief Marketing Officer at The Red Door by Elizabeth Arden. Chad comes to Crunch with industry experience, serving as an executive consultant to Blink Fitness on significant marketing and franchising initiatives. His prior roles include senior marketing positions with The Walt Disney Company, Marriott International, Starwood Hotels & Resorts and The Procter & Gamble Company.



## MIKE NEFF

### EVP, MEMBER SERVICES

Mike joined Crunch in 2006 and leads the company's Member Services team, as well as the company's technology roadmap and evolution, focused on delivering solutions to enhance the member experience, while optimizing systems to support a worldwide franchise network. Prior to Crunch, Mike served as VP of Information Technology for The Fitness Company



## CRAIG PEPIN-DONAT

### EVP, CRUNCH FRANCHISE

As EVP, Craig leads the operations team for Crunch Franchise. He is an established expert in the fitness industry, previously holding the position of president of the New York Health and Racquet Club chain and the largest club chain in Northern California, 24 Hour Nautilus. After the company's brand transition to 24 Hour Fitness, Craig held numerous roles, including Divisional President and Executive Vice President of Sales and Marketing. Craig owned and operated his own fitness company, which was voted "Best Club" in Jacksonville, Florida, for two years before selling to a regional competitor. He is an author of two books and has been a contributing author for a variety of fitness publications. He has been featured on the cover of Club Business International on two separate occasions and in numerous media publications. Craig is also a founding partner of the Crunch Franchise business.



## MICHAEL J. BLOUIN

### SVP, CORPORATE DEVELOPMENT, CRUNCH FRANCHISE

As a member of the senior management team at Crunch Franchise, Mike's responsibilities range from early participation in the sales process through club opening and ongoing support of franchisee's financial performance. Mike has held a number of senior-level financial and development positions for global companies ranging in size from \$1M to \$3B+ in annual revenue. After almost 20 years at Verizon which culminated in his role as Chief Financial Officer of an international services joint venture, Mike was Vice President, Finance for Planet Fitness Holdings and later Senior Vice President at CYBEX International.



# THE TEAM

## JEN RENFROE

**SVP,  
CRUNCH FRANCHISE**

Jennifer has over 20 years of experience in the fitness industry and has developed a wide variety of fitness programming, working in multiple types of group training. With a strong passion for group fitness, she has held a number of positions in management, program development, and training. And as a continuing education provider for both ACE and AFAA, Jennifer has traveled throughout the US and internationally doing workshops and fitness trainings. Jennifer has worked for Crunch for over 14 years and was most recently a Regional Director of Group Fitness before joining the franchise team.



## LAURA ALTIERI

**VP OF SALES,  
CRUNCH FRANCHISE**

Laura joined Crunch in 2022 to lead pre-sale and new gym opening efforts, bringing 10+ years of fitness industry experience, including previously leading nationwide growth with The Edge Fitness



## AMITA BALLA

**VP OF BRAND  
EXCELLENCE,  
CRUNCH FRANCHISE**

A graduate of NYU, Amita comes from over 34 years of experience in the fitness industry. 16 years at crunch signature. She holds several awards from gm of the year to presidents club and has recently completed Yale University's executive program for Women in leadership at the top of her class. Amita has held various corporate, regional and corporate sales positions.



## RON ALTERIO

**VP OF PERSONAL  
TRAINING, CRUNCH  
FRANCHISE**

With over 25 years of fitness industry experience, Ron joined Crunch in 2019 to lead personal training growth. Previously, Ron enjoyed success as a personal training consultant and held leadership roles with The Visual Fitness Planner and ClubReady.



## SCOTT MORRIS

**VP OF OPERATIONS,  
CRUNCH FRANCHISE**

With a background in multi unit management, in both fitness and franchising, Scott brings extensive industry experience to the Crunch team. He's previously held operational leadership positions with Wellbridge, Town Sports International and Power Train Sports and Fitness.



## ADRIAN BARTLETT

**VP OF TRAINING  
AND DEVELOPMENT,  
CRUNCH FRANCHISE**

Adrian joined Crunch in 2014 and manages the communications and training infrastructure for the company, while supporting the development of high level operational initiatives.



# THE TEAM

## JOHN TATE

### VP OF MEMBER EXPERIENCE

John joined crunch in 2023 and is responsible for enhancing the member experience through development and implementation of new platforms and programs. John has spent most of his career working in Franchise organizations to find win-win solutions that enhance both customer satisfaction and financial performance.



## KATE WEIS

### VP OF MARKETING, CRUNCH FRANCHISE

With over 15 years of marketing and multi-unit business experience, Kate leads franchise marketing. Previously held roles across different industries include Corcoran, BP, and Time Inc.; and ad agency powerhouses Ogilvy and Saatchi & Saatchi.



## SARAH KOVACS

### SENIOR DIRECTOR OF CLUB DESIGN

Sarah joined Crunch in 2017 to lead construction and facilities for our corporate owned clubs and recently joined the Franchise Development team. With 15 years' experience in retail construction, Sarah has worked with brands such as Prada, Saks Fifth Avenue, and Hudson's Bay Company.



## BRENT SAUL

### SENIOR DIRECTOR OF CONSTRUCTION, CRUNCH FRANCHISE

Brent Saul joins Crunch Franchise with over 25 years' experience in the commercial retail construction industry. He has lead the construction/retail development departments for companies such as GUESS Jeans and Liz Claiborne.



## NADINE QUIROZ

### NATIONAL DIRECTOR OF CORPORATE SALES, CRUNCH FRANCHISE

Nadine leads Crunch's Corporate Sales Department, with over 28 years in the fitness industry, including 13 years at Crunch as well as prior corporate sales experience at 24 Hour Fitness.





# THE TEAM

## JOHN MERRION

### DIRECTOR OF SALES, CRUNCH FRANCHISE

John joined Crunch Franchise as Director of Club Development in October 2009 and was named the Director of Sales in July 2014. He has over 25 years of experience in Sales Development and Operations.

Throughout his professional tenure he has worked with companies such as Nextel Communications, T-Mobile USA, and Cartridge World USA as a Director of National Accounts and Franchise Operations.



## LUIS VEGA

### CREATIVE DIRECTOR

With 20+ years of experience creating marketing programs and events, Luis brings his vast knowledge to lead the creative team at Crunch. He previously headed creative teams at Prevention, Men's Journal, Maxim, ELLE, and Better Homes & Gardens.



# SOME GYM-PRESSIVE NUMBERS

## OUR ADVANTAGE: The Crunch Model

When we designed our franchise model, we were guided by years of experience. This approach is designed to maximize returns while being able to adapt to changing business conditions. Our results prove it.

### AVERAGE REVENUES\*

**\$2,166,164**

### AVERAGE CASH OPERATING PROFIT PER UNIT\*

**\$590,517**

### AVERAGE MEMBERS PER UNIT\*

**5,888**

As a Crunch franchisee, you present your community an incredible value. From No Judgments, to proprietary group fitness classes, to pressure-free enrollment and complimentary tanning, to personal and small group training, you'll have more to offer than your competition, and all at an unbeatable price.

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\*For clubs open an average of of 37-48 months, as published in item 19 of the Crunch Franchise 2023 Franchise Disclosure Document. Read Item 19 in its entirety for important defined terms, assumptions, and qualifiers relating to these figures. A new franchisee's results may differ from the presented performance. There is no assurance that you will do as well, and you must accept that risk.





# HOW TO BECOME A CRUNCH FRANCHISEE

- 1 VISIT CRUNCHFRANCHISE.COM & FILL OUT THE ONLINE SUBMISSION FORM.**

Shortly after submission you will be contacted by John Merrion, the Director of Sales. You will review what geographic areas are available and discuss whether it makes sense to continue to the next stage. If so, Crunch will send you a financial application.
- 2 SUBMIT A FINANCIAL APPLICATION.**

After completion, Crunch will review the application to determine your financial qualifications. If qualified, Crunch will set up a webinar presentation to go over the details of the opportunity.
- 3 DISCUSS THE OPPORTUNITY WITH OTHER FRANCHISEES.**

After receiving and reviewing the Franchise Disclosure Document (FDD), you will continue your due diligence by talking with current franchisees and putting together any questions you may have. If at that point moving to the next stage makes sense, then dates are reviewed to meet at the Crunch corporate office and to visit a Crunch franchise location.
- 4 MEET THE EXECUTIVE TEAM.**

The final step before making a decision is to meet with the Executive Team, and tour an existing franchise location. After this meeting you will work with the Crunch Franchise Team to complete your due diligence so you can make an informed decision on taking the next step. If everything looks like a fit and you decide to become part of the Crunch family, we will draw up the Franchise agreement for the area discussed.
- 5 SIGN THE FRANCHISE AGREEMENT.**

Sign and return and you're on your way!



## What are the financial requirements to franchise?

You must have at least \$2M in net worth & \$400K-500K liquid capital to be eligible for additional financing if needed.

## How much money can I make?

Reference earnings claims in Item 19 of the FDD.

## What monthly royalty fees must a franchisee pay?

5% on monthly gross sales.

## What are the size requirements for a franchise?

Our locations range from 20,000 to 40,000 square feet. Our sweet spot is 25,000 to 30,000 square feet with at least 125 parking spots available.

## What areas are available for a new franchise?

The availability of territories in specific areas will be discussed during our initial conversation.

## Does Crunch assist with design & outfitting of my franchise location?

Yes. Once you're a franchisee we provide you with a construction manual to help build your Crunch club. We'll also ask for a CAD/PDF drawing of your location so we can put together a floor plan and equipment layout for your club. Additionally, we provide a branding package that outfits your entire club to keep a consistent Crunch look, as well as architectural & construction resources if needed.

## What is the total estimated cost to open a Crunch?

There are 3 major components in the estimated cost. First, build-out costs can range from \$500-\$800K. Second, equipment can range from \$500-\$600K. Third, soft costs range from \$200-\$300K. Costs estimates/breakouts are provided on the next page.

## Does Crunch franchising offer financing?

We provide financing assistance. We will help you review your finances and recommend financing through a network of lenders.

## How much is a Crunch membership?

Our Base membership is \$9.99/month. We provide our members with state-of-the-art equipment, access to group fitness classes and a free introductory personal training kickoff session. Our top-tier Peak Results membership is \$29.99/month. For a few dollars more, members get the full Crunch experience, including free unlimited guest passes, free access to other Crunch Fitness clubs, advanced HIIT classes, Ride indoor cycling classes, plus Relax & Recover<sup>®</sup> services.

## Does Crunch offer training to a new franchisee?

Yes. We conduct a 2-day training in the corporate office & a 5-day in-club training as well as online video, telephonic support and follow up training.



# ESTIMATED INITIAL INVESTMENT

The following summarizes the estimated initial investment for opening a Crunch Franchise club. Costs will vary depending upon your club's location, size of the facility, required leasehold improvements and other variables.

EXPENSE	ESTIMATED COST
Initial franchise fee	\$25,000
Training expenses	\$1,000 - \$5,000
Real property, whether purchased or leased	See note
Lease deposits	\$5,000 - \$50,000
Leasehold improvements	\$400,000 - \$1,700,000
Construction consulting fee	\$2,500
Deposits/lease and other down payments for fitness equipment, fixtures, other fixed assets	\$150,000 to \$1,200,000
Opening inventory	\$1,000 - \$5,000
Site selection travel expenses	\$500 - \$3,000
Security deposit, utility deposits, business licenses, bonding (if required) and pre-paid expenses	\$3,000 - \$45,000
Professional fees	\$5,000 - \$25,000
Signage	\$7,500 - \$30,000
Office equipment, computer system, furniture, graphics package and supplies	\$25,000 - \$35,000
Initial advertising	\$15,000 - \$45,000
Insurance	\$5,000 - \$20,000
Additional funds - 3 months of operations	\$25,000 - \$300,000
<b>TOTALS</b>	<b>\$668,000* - \$3,488,000</b>

\*Lower estimate for conversion club

**BEST ESTIMATE** This is our best estimate on the costs you will incur to develop and open one new Franchised Business based on the experience of our officers and owners. There are no incremental initial investment costs if you become an area developer or multi-unit developer. Your site will have approximately 10,000 to 45,000 square feet. The factors that underlie this estimate can vary considerably depending on a number of variables, and the actual investment you may make may be lesser or greater than the estimates given. We cannot accurately estimate the initial investment you will incur in conversion situations. None of these items are refundable unless otherwise indicated. All payments to us or our affiliates are non-refundable.





# HOT OFF THE PRESS



**Entrepreneur.**

**BUSINESS  
INSIDER**



**FOX  
BUSINESS**

**Inc.  
Radio**

**CNN Money**

**TheStreet**

**Franchising.com**

**Forbes**

**Franchise Times**  
The News and Information Source for Franchising

**CLUB BUSINESS  
INTERNATIONAL**

Visit [crunchfranchise.com/press](http://crunchfranchise.com/press) to check out all our great news coverage!



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 **FUN;** WHAT THERE IS, IS ROOM FOR  
IS A CULTURE OF **EVERYONE:**

ALL KINDS OF PEOPLE WITH  
ALL KINDS OF GOALS  
WHO'VE CHOSEN TO REACH THEM WITH US. **NO JUDGMENTS.**



**FOR MORE INFORMATION:**

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