



**Complete Transcript: HALO Talks with Anthony Baretta
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Pete Moore:

This is Pete Moore on HALO Talks NYC. I have the pleasure of bringing back my fellow strong Islander independent operator with general fitness oh seven Tony push fitness, Queens, long island, and beyond. Welcome to the halo talks

Tony Baretta:

My friend. Thank you. Thank you. So

Pete Moore:

Give us a little background on how you got into the fitness industry and turn this a passion into profession. My friend.

Tony Baretta:

Okay. So briefly I

Tony Baretta:

Started off when I was a young kid, 16 years old, I'm now 41 years old. I was 285 pounds and that was looking for a health club to join. And I joined the gym and my passion just became very strong with helping people and making people feel comfortable in an environment, especially, you know, people that were overweight and walking into a club and feeling comfortable. So I got a job at a gym, which at the time was called general fitness center GFC. I started working there and my passion was always to make the club better. It was at the time 20 years ago, it was a more of a, more of a lifter's gym. And I just kind of wanted to always turn it around. My, my idols of health clubs have always been more of like an Equinox type of gym, David Barton from back in the day. There was another one, which I can't remember, but anyways, I always liked a luxury gym. So I wanted to do a luxury gym at an affordable price for people.

Pete Moore:

So, you know, as you take a look at you know, what the build-out costs are, are on an Equinox or what they were on a David Barton, you know, how did you think about reverse engineering, that experience you know, I've been to your clubs, they did their pristine there, you know, almost like a work of art at a reasonable price. Yes, you've definitely executed on the vision there. You know, for the, for the groups that are out there listening who are trying to either renovate their clubs or build a new club, you know,

what are some of the big CapEx items that you've kind of like reverse engineer and say, Hey, look that you can spend a lot of money on this, but I just spend money on the places I need to.

Tony Baretta:

So exactly. I mean, we all know that the first area or first couple of areas that you need to work on is your first impression. And that's when you first walk into the club locker rooms, sales offices, you know, if they have classes, classrooms, we, so basically, I mean, what do we build out? The gyms we build out the gyms? No, I mean, we, we definitely build it out to the extreme, but it's all the type of materials you pick out. And the biggest thing that I highly suggest that whoever's opening up a health club is that they invest the money into a good interior designer, a good interior designer. They definitely always take things to the next level. You just have to see the vision on what they, what, what they want to do to the clump.

Pete Moore:

Gotcha. So, you know, when you take a look at going into markets like Queens, as an example, you know, you got to kind of sometimes take your, your, your parking hat off and say, you know, look, there's going to be a certain amount of people that are just going to walk here. Certain amount of people are going to take, you know, bicycles or buses or what have you. So how do you think about, you know, scoping out new locations? I don't think the technology is ever really there to the point where you could say, okay, I got enough data. Like part of it's just kind of trusting your gut in your experience. How do you think about that?

Tony Baretta:

Wow. You just brought back a good memory. I mean, our first location was in fresh metals and there was actually, there wasn't actually any park there except for street parking. And at the time I had a lot of gym owners. I mean, I was about maybe 27 years old, my first big investment. And I had a lot of gym owners saying that I was going to fail and because of that parking, so that just made me, you know, want to basically like build a club as beautiful as possible and attract the people in Queens, people that are used to parking. So that was the main reason why, you know, I was like, I ended up going for it. Cause you know, Queens isn't like long island, people are used to looking for a parking spot.

Pete Moore:

Gotcha. You know, as you built multiple clubs you know, what, what drove you to do that? Was it you know, I've figured this out, I'm going to go build more locations. Was it more of a, you know, like an Excel model, Hey, if I do this, I can get to X or is it just more of your personality?

Tony Baretta:

Well, yes, what happened was, is we opened up the club in in fresh metals. And from there we remodeled our club GFC at the time. Now it's called push fitness as well. And then we just went, I basically, I actually kind of the third location, which is in new Hyde park. It was a mom and pop gym. I went in there. I walked in there and as I just sometimes feel the potential, I if I walk into a club that's been operated by owners that have owned it for 10, 20 years. And if they're able to survive on those 20 years on the, they were running the club, I sometimes I'm like this club has huge potential with me going in there and renovating it and running it the way we've run out clubs.

Pete Moore:

So w when you walk into a location such as that you know, that there are certain operators that will say, look, I got to start with my own footprint. I don't want to take any over anybody's liability. It's sometimes hard to come to a deal economically with someone that wants to sell when you're like, Hey, look, that's great that you got this membership based, but I got to put like a half a million bucks in his club and that's basically coming out of your pocket. So how did you think about that for some of our listeners that are looking at buying a club and, you know, trying to figure out what the right

Tony Baretta:

Methodology? I mean, yeah, so basically, I mean, it all starts off with price and what they're asking for our club, and, you know, if you're walking into a gym and you need 500,000 miles and just renovations, and then you have to spend another six, \$700,000 in equipment, you're looking at a huge investment plus now you have to buy the owner out. I mean, we all know that it's all, you know, a business is based on numbers and what they met, so they could ask the crazy numbers, but if they're ready to go out of business, you're, you're, you're basically saving them. And that's kind of what I did with the one location that we took over the phone location, and I saw the potential in it. And once again, I just went into it and remodeled the whole entire thing top to bottom. And, you know, it was a good success.

Pete Moore:

Yeah. What was the impetus to always stay independent, run your own brand? I'm sure you probably people have come to you and said, Hey, why don't you rebrand to planet fitness crunch fitness? You know, you have a laundry list of names and you're like,

Tony Baretta:

Okay. Yeah. So number one is our, our theme is a luxury gym at an affordable price. I, I just, I just basically, you know, the things that we do, I feel like we have a pretty good system and I don't really like the franchises. Yeah. I don't know how to, I don't, I don't know what else to say. No.

Pete Moore:

I mean, that's, I mean, also there's really not a luxury affordable concept. They're all either bop or hop 2.0 yeah. So,

Tony Baretta:

So there is, there is a lot of clubs that, yeah, I mean, nowadays, I mean, every everything's changed now, now when someone someone's joining a gym and our price points on an average is say \$50 a month. People walk into a club at dollars a month and automatically they think that's expensive. Cause they're used to seeing gyms at 9 99, 19 99. So we really, when we sit down with our new members, we basically sell them on how nice it is to walk into a gym. That's not overcrowded that doesn't meet 10,000 members. That's clean, that's neat, that's respectful. All those things, to me matter a lot, I'd rather have less members and have a clean well-maintained health club. Gotcha. And I feel like there's unfortunately, which is sad to say, you know, there's, there's no health clubs that are like that anymore. I mean, now you're, you're selling, you know, 9 99, 19 99, and that's all they have to offer and at least speak for the clubs that are in New York city.

Tony Baretta:

I don't know, you know, other states, but from what I seen that's around the areas. I mean, the gyms are only good for the first two years. And then they just don't get maintained. We constantly maintain our

gyms every single year. You could walk into one of my locations. That's 12 years old. You walk in there and it looks brand new. It looks brand new. It looks like we just opened up. And that's basically my main focus every day is just making sure that we're, you know, keeping the part on all of our equipment. And aesthetics.

Pete Moore:

So moving to building a team, you know, we get a lot of people that come to us and want to go from one club to, to a multi club and they give us a, a org chart and they say, Hey, I need to hire these six people in these six functions, need a CFO. I need a chief marketing officer. I need a COO, you know, you're a guy that's, you know, on the front lines and you kind of could feel like where I need support. So how did you think about building your team versus, you know, a more traditional, like academic approach to it?

Tony Baretta:

So I tried, I tried building a team. I tried to get a district manager that goes around health, all the health clubs and stuff like that. But you, me and my other business partner, we basically manage. And we, we do all that. You know, we have a sales team, we have a personal training department and we just, every day go, we, we, we go to different locations every single day and we're just making sure people are reaching their numbers and maintaining the clubs to where we want them.

Pete Moore:

Gotcha. How important from, from your standpoint, given that you're nestled in a number of pretty tight densely populated areas, you know, the traditional member referral versus, you know, maybe more guerrilla marketing tactics or, you know, SEO w what's been your

Tony Baretta:

Formula? Well, yeah, so we basically, I mean, I mean that, that all has changed in the last couple of years. We get a lot of our, you know, we do a lot of that through Instagram, Facebook, we have a company that works with taking care of all of our online stuff, bringing traffic to our website, and we get our leads from our website. And the biggest thing where we get our, our members from is our reputation. People know that when they walk into a push fitness club, they're going to be walking into a comfortable environment, a nice environment, a clean environment, and, you know, a great staff as well

Pete Moore:

Was COVID. What are some of the things that you're most excited about or any kind of new equipment or programming that you put in? We're, we're forecasting a very, very strong 20, 22, and trying to get people that maybe have kind of taken down the barriers of understanding, Hey, it's not that hard to work out. Like you've worked out on your app. It's almost like we've primed you to actually come into a bricks and mortar facility and get to all the benefits of that.

Tony Baretta:

So basically did you say before COVID or

Pete Moore:

After COVID now,

Tony Baretta:

What we did was, I mean, I mean, I mean, listen, it was a stressful six months to all gym owners and what we went through and, you know, still having to pay rent and just fighting through it. And, and thank God, you know, we have five locations. We, we, we pushed, we pushed through it and we made it. But when we, you know, we were always, you know, we were, do people wear masks and people don't wear a mask. So when it came down to the guidelines and everything like that, and we saw it, we were actually really happy that we almost did 90% of the stuff that they were requiring before. COVID. So we're always on our game. You know, we changed our filters, the Merv 13 filters. We also, I installed it's called eye waves. So basically what it does is they get installed in our air conditioning units.

Tony Baretta:

So we installed them every single AC unit in our clubs, it disinfects the air kills bacteria and viruses 24 7. So that was that was actually, and not that, that wasn't, you know, we didn't need to do that, but I'm always, I always liked to be three steps ahead. So we installed all that. We actually have it, it's a system that you, that you install and it's, it's there until, you know, it's not something that you have to do every, every year, every two years, it's, I believe you get like five years out of it. So that, that itself and advertising that really made my customers feel very comfortable. Our customers, a lot of our customers, I mean, every gym took the head. I'd be lying if I said we did it. But our customers definitely felt comfortable coming back to our clubs because they knew our reputation, which was, you know, keeping the club clean and people respecting our health clubs one day working out. So they felt good. We did take a hit, but we've, we've slowly are building back and hoping by January of next year. Well, you know, we'll be back pretty cold for the numbers that we were at.

Pete Moore:

That's great. So if you were to be a mentor to someone who had one or two clubs, and they said, look, I'm devoted to the next 20 years of my life. I'm staying an independent operator. I want to get to 10 locations because that's my personal and professional goal. What would be some of the takeaways or advice that you'd give to that person?

Tony Baretta:

Okay. So I would definitely first start off by saying, take a guess, taking a slow, seeing how your first, your second, your third goals waiting a little bit, because, you know, 10 was my goal. I wanted to have 10 clubs, but obviously a lot of people think that running health clubs is an easy business, but it's not, especially when you run it the correct way, you know, I'm all for that. Definitely, but just definitely taking it slow and just see how your first, second, third, if you're at three to see how your numbers are going, because you could lose, you could basically lose focus on your other clubs. I see it all the time. I see gym owners that are opening one after the other, and then they forgot about their first, second, third location that actually got them to open up more clubs. And you go back to those clubs, then our equipment needs to be redone. Do you need to start remodeling over there? Or they just lose, you know, they, they basically forget about their first clubs.

Pete Moore:

Yeah. I see a lot of people that view growth always as an opportunity and not as like a personal threat to their business. And I do think going slow. And then, I don't know, from my standpoint, when I've looked at opportunities, I feel, you know, in your gut when it's time to grow, is that kind of what happened on urine? Yeah.

Tony Baretta:

It didn't, it didn't, you know, I, I Hmm, I should've, I should've maybe stepped back and not had jumped to four and five very quickly. Four and five obviously was, you know, four and five happened and COVID then happened. So I don't know, maybe I'd be thinking a little differently if COVID never happened, but sometimes, you know, I do wish that I would've went a little slower and thought a little bit better on my locations. I did create, you know, more work for me. So it just, it really depends on, you know, people's goals. My goal was definitely to have a lot, not a lot, you know, 10 sounded nice, maybe five, five to eight, but I I'm thinking a little differently now. And I just want to focus on my gyms and putting the love back in there. And who knows, maybe there will be a 61, but as of now, like I just, the focus has to be in the clubs that I have.

Pete Moore:

Yeah. Do that. I think that's great advice. What have you found recently with rehiring staff or maybe trying to find great instructors that were at boutiques and having found a new home yet, or, you know, there's obviously a lot of government programs and people doing things online that have having jumped, started them to come back to, to actually get a job again. Yeah.

Tony Baretta:

So that actually has been so our hour, I mean, for every gym owner I believe, you know, we, we were stressing out in regards to rent and everything that, and we finally opened up and the another big challenge was trying to get everybody to come back. And no one, you know, I would say, you know, maybe 50% of people came back, but that was, that's been, the hardest thing is instructor forge. They were making more money. They're making more money collecting. And that's, that's been the biggest challenge for gyms, for people that own restaurants for mics. I mean, everyone, everyone that's, and we're still going through that. We're still going.

Pete Moore:

I feel like when they put out all these government programs, they view it as a as a as a trampoline, just to help people kind of jumpstart what they're doing. And instead it turns into like this comfortable sofa that people stay on D the point is put some money in their pocket. So you can, you know, cover your ex you know, some of your expensive, but don't use that as a substitute for getting a job. It's,

Tony Baretta:

It's, it's really sad. It's, it's sad that, you know, that money was given to help people out while their, while their job was shut down. But, you know, it was okay. Your, your businesses back, boom, number one, we should be very happy that they're back open a mature is let's go in there and kick and, and, and, and build a business back together. But I don't know. I mean, people don't, you know, it was more like negotiating on you know, oh, I don't want to I'll come back after, after unemployment's and it's like, what are you kidding me? Like, we need you now, we need, we need to open up our doors. We need someone to open up the gym at five in the morning. We need someone to close. We need, we need someone to clean this gym even more now than ever.

Tony Baretta:

And I, you know, even with cleaning, you know, cleaning people and salespeople and, you know, thank God. And I'm very grateful that a lot of our main employees came back, but our biggest hit was, you know, instructors. Yeah, yeah, yeah. Yeah. And, and, and as you know, we're having classes over here

and, you know, the attendance went down, definitely. It's starting to build up, but you have instructors that are teaching, you know, people out in the park and, you know, for whatever they do. And I don't know, but that, that they're doing their business outside.

Pete Moore:

Yeah. Yeah. So in closing here, you got any good quotes that you live by, or any sayings that you have up on your wall or on a post-it note?

Tony Baretta:

Hm. I actually don't to come to bigger than now. I, my push fitness is fitness meets elegance, and that's what we stay strong with. And

Pete Moore:

Quote right there, fitness,

Tony Baretta:

Fitness meets elegance. And we have been doing that for 12 years. We've been doing that for 12 years. I love doing it. I love, you know, I intend to talk a lot about maintaining a gym and keeping, you know, equipment, keeping the gym clean more than sales. But I really think that if you have, if you have a nice gym and you keep it clean and you have a great staff, the sales come in, you just got to wow people. And that's why I love doing

Pete Moore:

All right. Said very elegantly. Good to see you again, look forward to seeing you in person. Thanks for coming on to talk. We will be as helpful as we can to you and all your endeavors, and look forward to getting a workout in when I when I'm back in the city, you gotta come see me. Awesome, bro.

Speaker 4:

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