



**Complete Transcript: HALO Talks with Becky Cerroni
Posted June 7, 2022**

Transcript Is Autogenerated. Please Excuse Any Errors.

Pete Moore:

This is Pete Moore. I want to tell you about a company that is going to change the entire recruiting in the halo sector companies called game plan. We are game plan.com. What they do is they connect employer brands with D one D two D three athletes across the country. The power of the software that allows these employers to get in front of tens of thousands of athletes. If you watch the NCAA tournament, the hustle, grit, preparation, determination, and absolute desire to win, embodies every athlete out there. Now you're going to be able to put your brand in front of those athletes. Start to get them to understand after their college career, they can get into the halo sector, but work at a studio, a health club, fitness equipment, company, supplements, anything related to this industry. They can now parlay those skills and bring it into the sports and fitness industry that we are going to have the best athletes become the best employees and create the best companies. And that is the future of halo. 1, 2, 3, halo. We out game plan.com. Check it out.

Pete Moore:

This is Pete Moore on halo talks NYC. I have the pleasure of having the CEO of Texas joyride, Becky Cerroni coming in from saving the, the planet that now saving humans. So welcome officially to the halo sector.

Becky Cerroni:

Thanks Pete, for having me.

Pete Moore:

Awesome. So why don't you talk about your background and how you, you know, turn in from a member into an owner and then, you know, CEO during a crisis period, and you know, we'll talk about some of your leadership groups that you're involved in and, you know, pluck some good experiences at you,

Becky Cerroni:

For sure. I mean, I think, you know, I started out in ocean conservation, so I was working on coral reefs around the world. And I think anyone who decides that that's going to be their career is pretty entrepreneurial to begin with. Right. So sure. You know, I just really wanted to see the world and save

the world. And when I got to know joy ride, I found this authentic incredible community and wanted to be a part of it. And so I think that it was a natural translation. It kind of moved very fluidly from ocean conservation into joy ride.

Pete Moore:

Gotcha. So, you know, from a standpoint of joy ride, you know, starting in the suburbs, obviously, you know, flywheel and, and SoulCycle, you know, were urban and kind of then got distributed into some suburban markets. Do you think there's anything about joy ride being in the suburban market that maybe gave them, you know, an advantage or an insight into, you know, there's not you know, 30 story apartment buildings. So how did you think about the community that was being informed and how far did that span mm-hmm <affirmative> and then, you know, from a standpoint of what made you get involved at a point where you wanted to become a licensee? Cause there's a lot of groups that say, Hey, I'm a member and now I'm, you know, I'm an owner.

Becky Cerroni:

Right. I, I definitely, I think to your point being in the suburbs in a town kind of gives you that community feeling. So you get to know each other you have a smaller group of people who are coming together on a weekly basis, your membership is kind of constrained usually to your town. For me, I felt like that model would translate really well to Texas, which is actually where I'm from originally. And I do think that having that suburban model in the Northeast allowed us to like more easily translate into other markets outside of east coast.

Pete Moore:

Gotcha. So when you looked at going into San Antonio, what kind of research did you do? Or did you say, Hey, look, if I'm down here, I know that there are other people that, that are similar to me and this is going to work.

Becky Cerroni:

It was kind of a combination of the two. It was 2013, there was no boutique fitness in San Antonio at the time. There really were only CrossFit studios, yoga and a little bit of bar. And so I, there was nothing in cycling yet. And so I would have to go to Austin, which is over an hour way to go to a cycling class. And I just thought that was ridiculous. I knew that San Antonio was growing, it's the seventh largest city in the us. I felt like it definitely needed its own cycle studio as much as it needs its own, you know, cool coffee place and kind of all the things that people expect when they come to a city.

Pete Moore:

Gotcha. So talk about, we, we, we do this halo academy, we talk about a franchisor versus a licensor. When you looked at porting this to San Antonio, you know, was it your impetus that was said, look, I don't want to become a franchisee because you have more control over my business. And a licensee basically, you know, has certain constraints on what they can and can't tell a, a licensee to do because then it's deemed a franchise. So was there, were there any conversations there? Cause we've got groups that say, Hey, I want to become a franchise. Or it's like, well, there's a lot of costs associated with that. And there's a lot of liability and quality control. So maybe talk us through that.

Becky Cerroni:

You know, it was early days, there were no cycling franchises at time. So it was, you know, before there was anything available on the market to franchise the owners of joy ride had already decided they did not want to franchise. So the license option was what was available for me. You know, it definitely gave me the creativity to hire my own architect and, you know, we employed local artists to do the interiors. So yes, there was definitely more creativity involved in being a licensee. I mean, I think there's pluses and minuses on both sides.

Pete Moore:

So from standpoint of being a licensee and we go through this CrossFit case where it's you get the brand and basically do what you want, it's survival, the fittest. Did you also look at having any kind of exclusive territory? So if they did license it to, you know, on a, on a nationwide basis that you were protected or did you feel the relationship was the relationship and didn't have to be contractual?

Becky Cerroni:

No, I had the license for the, for the territory. So I had San Antonio when I built a second studio a year later, I expanded that license. So I was looking at opening, actually more studios in Austin and Houston along the way. And so we definitely talked about territory.

Pete Moore:

Gotcha. You know, when you look at joy ride as a, the unit economic model and then you compare it to, to soul cycle and flywheel and, and cycle bar, how much did you do on research of, of what other these other groups are doing? Or their pricing? Because I think a lot of groups say, okay, they're doing, I don't know what, how they're making money, but you know, they're not going to be in business for a long time. And typically it's because nobody actually figured out what the special sauce was of their business. So how did you think about that? Were you always saying, Hey, let's kind of peer into what SoulCycle's doing peer into what flywheel's doing and maybe we should incorporate that. Or did you say, look, we've got our lane, we're going to do our thing. And this isn't a copycat strategy

Becky Cerroni:

Definitely was not a copycat because we were the first. So there was no SoulCycle in Texas when we opened, we were the first cycling studio in south Texas flywheel had opened Dallas, but that was the only kind of brand in Texas. So I definitely looked at flywheel pricing. I looked at, I, I looked at more of the comparable studios around us. So whether that was bar or kind of the other models that were around us to make sure that we were in line with what San Antonio could handle. I also thought about the east coast and just thought about a kind of standard of living price decrease based on like the price cost of living. Right. And so that's something we used when we were creating our pricing model. Honestly, the biggest barrier to entry was creating an understanding of what indoor cycling was and why you would want to take a class. I mean, it was a different time, so it was kind of just like, why would you want to do under cycling? So we hired APR agency to do that that kind of full education outreach. <Laugh>.

Pete Moore:

And then what about San Antonio from an instructor standpoint? What kind of talent were you able to attract?

Becky Cerroni:

I start, I actually got really lucky at the beginning. An instructor from flywheel in Dallas, moved to San Antonio. She became our elite instructor and, you know, collaborated on all the training programs for joy ride over the past several years. Her name is Kelly Middleton. She's still with us. And then, you know, I looked at some other studios around town. Well, not studios, I guess Gold's lifetime just kind of saw who was out there. Generally though we ended up training our own. So we ended up, you know, doing live auditions, bringing people from either other types of fitness or people who just loved indoor cycling and training them in the joy road method.

Pete Moore:

Gotcha. So becoming an owner, becoming a member of a joy ride that has all the benefits and, and none of the, you know, firefighting or, you know, wow, got to actually operate this small business now, you know, what, what was your first, you know, couple of months look like, and did you ever say like, Hey, what did I get myself into here?

Becky Cerroni:

You know, honestly it was a great time. I mean, 2013 was an amazing time to open. And you know, we've weathered the storm of COVID. So we actually came together with local studios in San Antonio over the past couple of months to form the San Antonio fitness coalition. We have a great community of studios and I've gotten to see, you know, over the past several years, other local boutique studios grow up around me. So I'm really into kind of having that strong community of fitness all around us, and I'm excited to see it grow. You know, we just kind of are a new company now. So we're actually emerging as a new name over the next couple of months, dry ride in San Antonio. So we will be kind of morphing and that's the phases we're in right now. So it's kind of, it's incredibly exciting to see it grow from where we were to where we are.

Pete Moore:

Is that breaking news that we can break now? Or is it still under reps?

Becky Cerroni:

We can kind of do a teaser if you want. We can definitely, you know, talk about it a little bit. I'll be announcing the actual name and the modality by the end of April.

Pete Moore:

Got it. And tell us why there, you, you feel like a name change is important?

Becky Cerroni:

Well, joy, right. As a company split into two in December, 2021. So part of our part of our deal honestly, is that it will become a new company in Texas.

Pete Moore:

Gotcha. And from a standpoint of putting a new name on, actually sometimes most of the time creates, you know, this is like a re grand opening. Right. So did, is that maybe tease us with, you know, had you go through the names, did you have like post notes on the wall? Did you hire an agency? Were you on GoDaddy seeing what URLs were available?

Becky Cerroni:

I buy URLs every day. I love buying URLs. I, you know, honestly made a huge list. I've got a really smart senior in high school daughter who, you know, I would kind of bounce names off of and be like, you know, does this sound cool? And honestly the name that I think we're going to go with came, I, I liked a name and then I was in a cycling class in San Antonio and it kind of evolved in my brain as we were riding, which is always the best. Right. And so now I feel like we have something that really makes sense and it's going to speak to our community.

Pete Moore:

I feel like there should be a notepad on the side of one of the handles. I come up with ideas most of the time, but I think in the second to last song is when my endorphins are kicking into the creativity mode. So what are the plans with the new brand? Are you looking to, you know, turn this into a, a Texas rollout? Are you saying, look, I like the studios that I'm going to have, and I've got a senior in high school I'm not going to go and, you know, move into other cities and beyond, you know, in my car or on a plane. And, and the reason why I say this is because some people say I'm going to go get, I'm going to go build out a hundred studios, like, you know, what your life is going to be when you do that. So how do you think about growth and how important is that on a priority list?

Becky Cerroni:

Yeah, I mean, look, in 2019, we were on the cusp of merging with another company to become, you know, to have 25 locations. Even that is a lot, I personally am interested in operating two locations that said I do like growth. And I think that if we get this right and that's kind of the most important part, then I would definitely be interested in franchising, the new brand.

Pete Moore:

Gotcha. So talk about YPO and how that, you know, network and its young president's organization. Is there, is there a, is there an old president's organization

Becky Cerroni:

<Laugh>, you can graduate to gold. So you graduate to the next level.

Pete Moore:

Yeah. I've got some friends business school in that. And they, that is like one of the, probably one of the top three things that they talk about is their involvement with Y P

Becky Cerroni:

Yeah. It's a, it's such a gift, honestly. I joined about two years ago, January, 2020, which was good timing for me because the minute that our studios closed down, I was able to take advantage of all of the upright resources that Y P O had to offer. And I was, you know, watching a million sessions of like London school of economics and, you know, kind of Harvard business, anything to get my hands on, to understand kind of how to weather that storm was incredibly useful. In terms of the leadership this afternoon, I'm actually going to an EOS training. It's great to have resources when you're in, when you're running businesses to support your growth and learning. And I think there's just not enough of that in the world.

Pete Moore:

Mm-Hmm <affirmative> yeah. The, in the halo sector, there's a group called Rex round tables that definitely mm-hmm <affirmative>, you know, was a, a big support mechanism during COVID. And I think more and more health club operators and studio operators are actually filtering in some of their junior level managers and, and kind of pushing them into best practices. I think this industry's probably been light on continuing education for actually running a business. So just talk about that for a minute, if you can, you know, in San Antonio, were there, were there any kind of like essential businesses that were, you know, basically banded together through Y P or what are, what are the top couple of, you know, takeaways that you had from, from that?

Becky Cerroni:

Y P well, so I'm in the, I'm actually in the Greenwich YPO chapter, so my YPO connection has more in Connecticut. But definitely YPO is global. And so I've gone to speak at the San Antonio chapter. You know, the, the kind of support you get from your from folks that are in different industries, it's really helpful, especially when, because fitness has been such a difficult road the past couple of years. So being able to have a little perspective, I think helps you know, I'm also really involved with boutique fitness solutions. So I've been in that mastermind program also during COVID, which has been incredible support. And then I do some executive coaching business coaching through them for businesses. That's great that are involved. Yeah.

Pete Moore:

What, what, what would you say are some of the things from the wildlife organization or from, you know, the saving the oceans that you, you kind of still is kind of front of mind for you to say, Hey, I can maybe apply some of these things I'm saving humans now, or I'm going to get them on a track. So is there any connectivity between the two?

Becky Cerroni:

Yeah, look, I mean, my master's degree was all about how do you implement something in the UN system, which is pretty complicated and daunting. So, you know, even last week I spoke to city council in San Antonio on why gyms matter. And I think that, you know, those skills translate anywhere. The other piece that for me really helps is that I've been managing teams around the world my whole life. So I'm not afraid of managing a team in San Antonio from Connecticut. So I know that I, I know that I understand kind of what's going with them. I stay connected. We have lots of communication. I think understanding how to manage teams remotely is something that has definitely stayed with me.

Pete Moore:

Gotcha. And then with this new concept, are you going to be deploying anything that's materially different? You know, are you going to have any, you know, is there going to be live streaming coming out of there? Is there, you know, if you're sitting in Connecticut, you know, are you, do you have a video of, you know, what's going on actually in this studio, do you have surveys that are, that are going out afterwards to, so you can kind of quality control, you know, from,

Becky Cerroni:

Yeah. I mean, for sure, I, I do lots of touching base and I'm there every, every few weeks. So I'm always kind of popping in <laugh> to take class. There's definitely not an issue there. But I think that we will definitely be streaming. I think omnichannel is the future and I'm a strong believer in it. At joy ride last

year, we did launch an app with techno gym and we did an at home bike with stages. So I'm a fan of the omnichannel approach. And I definitely will be translating that into the new brand.

Pete Moore:

Great. So in closing here, you've got any good business quotes or, you know, motivational quotes that you could share with us were like, quote, collectors,

Becky Cerroni:

Love that. I mean, I don't know if I have like an actual quote, I would've come prepared, but I mean, something that I think about a lot is breaking it down. Just, you know, when something seems daunting or if there's a lot, you need to get done kind of focusing on the smaller parts and usually it becomes a lot bigger than you can imagine.

Pete Moore:

That's great. Well welcome to the halo sector as your own brand. If we get the breaking news on that in the show notes when this does go live and you know, look forward to seeing your growth and being helpful along the way.

Becky Cerroni:

Thanks, Pete. And then it guess just a side note. I also work with saga, so I think, you know, Jeff Schneider as well. So that's my other, my seventh job <laugh>

Pete Moore:

Yeah, you're loading up as an entrepreneur,

Becky Cerroni:

Got a lot going on. It's fun.

Pete Moore:

Awesome. All right. Keep doing great things and thanks for coming on.

Becky Cerroni:

Thanks for having me.