

# The Street

## Want To Own A Fitness Club Franchise?

By [Laurie Kulikowski](#) 06/22/11 - 07:00 AM EDT

CHANHASSEN, Minn. ([TheStreet](#)) -- Are you "fit" to be a franchise owner of fitness club [Snap Fitness](#)?

That's the question Snap Fitness founder and CEO [Peter Taunton](#) wants entrepreneurs to answer as part of its "Partner with Peter" contest, launched June 15.



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The 24/7 fitness center provides fast, convenient and affordable workouts in clean, comfortable locations close to home, the company says.

"Whether a seasoned entrepreneur or someone looking to get into business for the first time, this contest presents a great opportunity for anyone with a driven, entrepreneurial mindset," Taunton says in a statement. "As an entrepreneur myself, I know the importance of guidance for anyone embarking on a new [business venture](#). This contest gives me a great chance to pass along my knowledge and business experience to one deserving individual."

In a follow-up email, Taunton says the [idea](#) came to him last summer, during the company's first franchisee convention.

"While the economy is slowly beginning to rebound, there are plenty of qualified, motivated individuals who share a similar dream but may not be in a position financially to take the plunge and purchase a franchise," he says. "That's why I decided that the time was right to harness that energy I felt during the convention and help someone achieve their dream of owning their own business."

Snap Fitness is growing quickly.

The company has sold approximately 2,000 locations since 2004, adding between 15 to 20 clubs per month, it says. The company is able to scale down costs by shrinking fitness club size and eliminating some amenities, such as swimming pools and racquetball courts.

Growing consumer demand for businesses that cater to obesity and general health and wellness is on the rise, says Alisa Harrison, a spokeswoman for the [International Franchise Association](#)

Personal services-related franchises, which includes health and wellness businesses, is one franchise area expected to see solid growth this year. According to the IFA's franchise outlook published in January, economic output -- the gross value of goods and [services](#) a business produces -- for personal services is predicted to increase 6.5%, the third-highest behind automotive (7.2%) and commercial and residential services (6.9%).

"We're seeing really strong growth in the whole health and wellness area," she says.

Contestants have until Aug. 15 to submit their [application](#) online. Snap Fitness will announce 25 semi-finalists Sept. 6.

Winners will be selected based on background, the quality of their reason for wanting to own a [small business](#) and dedication to owning a healthy business, the company says. Contestants may not already own a Snap Fitness franchise, nor be related to a company franchisee.

Spotlight videos of the finalists will be featured on Snap Fitness' Facebook page and Taunton's website so the public can show support for the contestant they feel is most deserving, the company says. The final winner -- picked by an internal panel -- will be announced Oct. 6.

The grand prize includes all costs associated with the new franchise, including franchise fee, buildout, equipment, site selection and initial rent and working capital, estimated at up to \$250,000, Snap Fitness says.

Location has no bearing on chances of winning. Once the competition is over, the company will work with the winner to determine the best possible location for their Snap Fitness club

based on their geographical preference, potential success of the location and availability of the territory, the company says.

Future Snap Fitness' franchises may also be up for grabs. The company will make a decision sometime after the contest is over to assess feedback and outside interest, it says.

-- *Written by Laurie Kulikowski in New York.*

<http://www.thestreet.com/story/11160424/1/want-to-own-a-fitness-club-franchise.html>

