

FREQUENTLY ASKED QUESTIONS

Q. Is the fitness industry growing?

A. Yes! The U.S. Department of Labor reports that the fitness industry is still growing and job opportunities are solid. **Employment in the industry is expected to increase by 27% through 2016, a figure that's greater than the average for all professions (U.S. Department of Labor 2008b).** The U.S. Department of Labor attributes this projected expansion for the industry to public concern for staying healthy and becoming physically fit, as well as people's willingness to spend more money and time on personal and family fitness. Even health club revenues, which represent only a portion of the total fitness industry, increased 29% from 2004 to 2008. Mind-body exercise has been an upward trend for years, with the growth in the yoga market alone increasing 87% since 2004. And fusion classes that blend mind-body principles with traditional exercise have been in the top 10 trends every year for the last 5 years. **Mindful Fitness**[®] has been an industry leader for over 15 years having the vision of blending these two growing industries into its programs and classes.

Q. How much money can I make doing this?

A. That depends on if you decide to work full or part-time. Working full-time, you have the potential to earn a 6-figure income. The beauty of a **Mindful Fitness**[®] license is that your income depends on your time and your effort. Your success will depend on your motivation, creativity and determination to reach your goals.

Q. Do I need to be a fitness trainer to own this business?

A. No, you do not. If you have the desire to work in the fitness industry, you can hire trainers as independent contractors to work for you! If you value productivity, economic success and financial security for yourself, then you will benefit with a **Mindful Fitness**[®] license. Entrepreneurs with good organizational and managerial skills, whether fitness trainers or not, will do well in expanding locations and increasing revenue.

Q. What traits should I possess to be the most successful using the Mindful Fitness[®] Programs?

A. Do you enjoy working with groups of people – influencing, motivating and inspiring? Are you a self-motivated achiever? Are you a leader? Would you welcome the challenge of directing your own future, creating your success, and coordinating everything to achieve your goals?

THEN, YOU POSSESS THE RIGHT ATTITUDES FOR ACHIEVING GREAT SUCCESS USING THE **MINDFUL FITNESS**[®] SYSTEM.

Q. How is your program different from other fitness businesses?

A. **Mindful Fitness**[®] is unique because my philosophy towards health and fitness incorporates applying mind-body principles with traditional fitness methods. The dictionary defines synergy as “an interaction of two or more forces so their combined effect is greater than the sum of their individual effect.” Both mind-body practices and physical activity reduce stress and improve overall well-being. Some traditional fitness methods, however, can cause stress and exhaustion by pushing clients to reach external goals. Mind-body methods teach the client how to 'experience' movement in their bodies paying attention to proprioceptive feedback which reduces injury and increases feelings of well-being and connectedness. Mindful Fitness is enjoyable and energizing, benefiting clients on all levels – physical, mental, emotional and spiritual. Your clients will stay with you for years because they see and feel the results of your programs.

Q. How does your proprietary system benefit my personal training business?

A. As a Personal Trainer, you have probably experienced the highs and lows of working one-on-one with clients. Clients come and go and cancellations occur making your cash flow difficult to depend upon. If you work in a gym environment, clients come to you but you give up a large portion of your training fee to the gym. If you travel to clients' homes, you receive your full hourly fee but you lose travel time and expenses going from one client to another. In my fitness programs, you choose the location and all of your clients come to you! You receive nearly 100% of the profit, with expenses and travel time being minimal. And you can set up your programs so that if clients miss, they still pay you. And, my fitness programs maximize your time, help more than one person reach their goals, and increase your income.

Q. How are you different from other personal trainers?

A. I have been a Certified Personal Trainer through ACE (The American Council on Exercise) AND a Yoga Instructor since 1995. I hold two degrees – a Bachelor of Science degree in Physical Education, with an emphasis in Athletic Training, and a Master of Science degree in Exercise Physiology.

The majority of personal trainers are trained in traditional fitness methods such as weight training, sport skills, and balance and agility training. They are not trained or skilled in the teachings of yoga, breathing practices, or meditation. Many have valid certifications from accredited organizations, but many do not. Some personal trainers will have earned a Bachelor's degree in a movement oriented field like kinesiology or biomechanics, while the majority has not. And it is unusual for a fitness trainer to hold an advanced degree. My master's thesis investigated the influence of yoga, walking and meditation on stress and immune systems. This work helped to give me the foundation in which I built **Mindful Fitness**[®]. It is the combination of my education, and 15 years of experience as both a Certified Fitness Trainer and a Yoga Instructor that separate me from other personal trainers.

Q. With your training and experience, why didn't you open a gym or studio?

A. When I started my business, I had just finished my Master's program and 9 years of education. Although I had worked through school, I still had student loans to repay, and I didn't have the capital

at the time to make such an investment. In creating **Mindful Fitness**[®], I thought that one day I would own a private studio in which to meet with my clients. Over time, I discovered that a gym environment is not conducive to a mindful workout, although I have worked in several gyms over the years. I began my fitness career working with most of my clients in their homes or offices and this worked well for them – greater convenience and privacy, and it worked better for me – no overhead, except for travel expenses, but I was still limited in how much time I could work. Through the need to generate more income, I created the proprietary programs that I am now offering to you as a License. And again, I found a way to have little to no overhead. The way that I chose to operate my **Mindful Fitness**[®] business has afforded me greater freedom to work mindfully with my clients, privately and in groups, without the worries and overhead of having a brick and mortar establishment.

Q. What exactly is Licensing?

A. Licensing is a way of granting someone the right to duplicate something you created. There are forms of Licensing for all kinds of goods but you can also grant rights to another person for a method, formula, and a way of doing business in the form of copyrighted material. You give others knowledge of how to duplicate your business method that only you know, by telling them how you did it. Licensing is a simple, hands-off type of business that can provide you with many benefits.

Q. How is a License different from a Franchise?

A. With Licensing, YOU, not the Franchisor, control your own business. First, let's look at the Federal definition of a Franchise which has 3 key elements:

- 1) Common Name – The trademark name is used by the Franchisee to promote the business. McDonald's is the most famous example.
- 2) Control – A “significant control” over Franchisee is present. For example: Operations manuals, site approval, personnel policies, accounting procedures, co-op advertising, operations training, etc. are controlled by the Franchisor.
- 3) Fee – The Franchisor is paid a sum greater than \$500 in order for the Franchisee to obtain initial operating procedures.

B. With a License, you have several benefits:

- 1) You choose your own business name! You can have several streams of revenue when you have your own name, i.e. t-shirts, hats, cups, etc. The License does not include the **Mindful Fitness**[®] name.
- 2) You will never be required to pay “Royalties” to **Mindful Fitness**[®] and royalties are often 6-7% of your gross.
- 3) While a Franchise fee alone can average \$75K - \$100K, a License fee is only \$4,500. Franchisors also often require you to have a net worth of \$100-\$250K to

buy a Franchise. You do not need to have a high net worth with a License as you do in $\frac{3}{4}$ of all Franchises when you purchase a **Mindful Fitness**[®] License. Also, research shows that $\frac{2}{3}$ of all franchises break even or lose money. You will enjoy the independence of being your own boss and keeping the money you would have paid a Franchise as your Income.

- 4) With a License, you are in complete control of your fitness programs, creating not only your name, but choosing your locations, your fees, and you can experiment as well with new concepts. You can advertise where and when you deem it advantageous. You will stand proudly before the public as an independent entrepreneur – not just as a cog in someone else's wheel! And should you choose to sell your License, you may do so with **Mindful Fitness**[®] approval.

Q. Do I need to give a percentage of my income to your company, as Franchisees do?

A. NO! This is a major benefit over Franchising. You will only be required to pay a \$500 per year renewal fee for the use of the **Mindful Fitness**[®] License, the programs and intellectual property. You also will have the option to advertise on our company web site for referrals to your area for no additional fee. Not paying royalties or other marketing fees will put thousands of dollars in your pocket over 2-5 years.

Q. What would my costs be?

A. This too will vary depending on how many locations and how many trainers you have. You don't have to sign any long-term rental agreements, pay office rent, or purchase expensive equipment. You may have some location fees which would be small, but often you will pay nothing. If you are not a fitness trainer, you will pay independent contractors, however, you can keep their base pay low and provide an incentive for them to increase class attendance, which makes you more \$\$\$. Advertising costs are low and successful programs run by word of mouth.

Q. How much time per week would this entail?

A. This will vary depending on whether you chose to run the **Mindful Fitness**[®] programs part or full-time. Additionally, there will be more time involved in the beginning as you get ready to launch your programs. For fitness trainers, you can choose to teach 2-3 programs a week or teach up to 15-20 programs a week and you will have a few additional hours for bookkeeping and marketing. You may choose to hire other trainers to supplement your income and reduce your workload.

For business owners who are not trainers, it will depend on how many locations and programs you run. Your work may be 30-40 hours a week to set up the **Mindful Fitness**[®] programs, hire trainers, P.R., bookkeeping, etc. However, once your programs are running, your time will be minimal and you can participate in your own programs, while earning an excellent income!

Q. Is my market area protected in any way?

A. Your “Defined Market Area” is protected by city, zip codes or area. This is an ethical protocol on the part of **Mindful Fitness**® – it is not required legally, as in Franchises. Our commitment to you is to not sell a **Mindful Fitness**® License within the set area that you have chosen. Typically a “market” area is ½ of a county in size or a section of your city. Area sizes may vary depending upon population and density. As long as you are in compliance with the terms of our Licensing Agreement, we will never set up an Agreement with any other person or company within your chosen market area.

Q. Am I allowed to run several programs in my market area?

A. Yes you are! You can run as many as you would like. Additionally, **Mindful Fitness**® has a sliding scale for entrepreneurs who want to have several **Mindful Fitness**® market areas.

Q. Who decides what is charged for fees for my programs?

A. You do! I will provide you with suggestions, but you will make the final determination on fees based on your local market and your knowledge of it. You are an Independent Contractor; **Mindful Fitness**® has no control how you conduct your business.

Q. Will you state one more time all that I will receive in return for the Mindful Fitness® License Fee?

- 1) **The Proprietary Information Package, including The 7 Principles of A Successful Mindful Fitness® Business which will show you how I set up my successful fitness programs.**
- 2) **10 Hours of Consulting**
- 3) **Option to be listed on company web site**

Q. What happens after I receive the Mindful Fitness® License?

A. You will receive the **Mindful Fitness**® System Information Package with all of my Proprietary Information via Fed Ex and you may begin to work on your marketing material. Included is the **The 7 Principles of A Successful Mindful Fitness® Business** which details the two unique and successful **Mindful Fitness**® programs which I developed and personally use in my business. You will learn how to integrate mind-body principles with traditional fitness methods to maximize your earning potential. Also included are my recommended vendor contacts, marketing tips, how to choose the best locations, etc. to successfully run your programs. And don’t forget, you will also receive the **Bonus Program*** by the end of the year. We will also make arrangements together to schedule your over-the-phone consulting. Your success is my success and my goal.

Q. How do I get started to acquire my Mindful Fitness® License in my city?

A. On my website, simply fill out the form with your contact information and “**Send.**” Upon receipt, I

will contact you within 48 hours to discuss if the area that you are considering is available. If so, I will e-mail you a "Confidential Disclosure Agreement." Sign and FAX this document to me at 619-224-2101. This is a mandatory step as the **Mindful Fitness**[®] System and Information Package falls under Trade Secret law, requiring a signed Non-Disclosure. Your signature on this Agreement protects the proprietary information I will be providing for your consideration.

Then, I will promptly schedule a telephone conversation with you. After our talk, if you want to proceed, I will send you a Letter of Intent – This document gives an overview of our agreement to purchase the **Mindful Fitness**[®] License. You will sign the Letter of Intent and send your **non-refundable deposit** of \$900 (20%) to reserve your right to use the **Mindful Fitness**[®] System.

When you return the Letter of Intent to me along with your deposit, I will then STOP TALKING to any other potential **Mindful Fitness**[®] Licensees near you.

Next, within 3-4 weeks, we will complete the Licensing Agreement. Once this Agreement is finalized, I will Fed Ex you my Proprietary System for the **Mindful Fitness**[®] License.

Q. Can I skip any steps and move directly to the actual **Mindful Fitness[®] Licensing Agreement?**

A. The Confidential Disclosure Agreement must be signed, but you may choose to skip the Letter of Intent and move directly to the Licensing Agreement. You will still place a non-refundable deposit of \$900 before you sign the Licensing Agreement while we finalize all the details.

**** The Bonus Program is FREE to those who purchase a **Mindful Fitness**[®] License by Dec. 31, 2009.**