



SO WE ASK,

# BIG BIGGER... BEST

BY THERESE IKNOIAN



## WHAT THE HECK IS A “LEADING” FITNESS RETAILER?

Is it having the most storefronts, highest revenues, biggest change in numbers, most sales dollars per square foot, biggest stores, most new doors, or most top brands sold?

When it comes to specialty retailers, we at FitBiz by GearTrends® decided ranking them by revenues was useless. Why? Because most of these numbers aren't public so getting a revenue number you can trust and believe in with all your heart is mostly a pin-the-tail-on-the-donkey game. Sure, there are those you know are telling the truth about their revenues. Certainly, you can track down revenue numbers from others, including a store's suppliers, add your own sensibility about what SEEMS accurate, and then check and cross-check till your eyes glaze over. But any way you do it, the word “seems” is the operative word for a list based solely on revenues; it's still a guess-timate at best, especially when the number has been tainted by store openings (or closings) during the year in question. In the past, most lists have gone with these revenue guess-timates to “rank” retailers. But those lists have turned into an industry giggle, we are told by many, since the inside scoop on Retailer X or Y allegedly having \$XX million or \$YY million in revenues indicates whoever provided the numbers may have added enough air to float the Titanic.

So for the first list of “Top Fitness Retailers,” FitBiz decided to tackle it in a black-and-white manner: Who has how many doors? Period. That's a concrete number with which no one can quibble (although some do like to taint the number by including commercial offices or warehouses). In addition to store numbers, we'll also offer contact information, and a bit of commentary gleaned from interviews, as well as from the past year's SNEWS® news about the retailers, its plans, or what we just know—all so you can pass your own judgment on who is doing what and who should be called a “leader.” Heck, we all know that most stores are doing about \$1 million, give or take, to truly make it, so use the easy formula of “stores x \$1 million” to help you draw a conclusion about where someone is. That's not science, mind you, but a ballpark. Nevertheless, it's a decent one.

And, oh, what a year it's been in specialty retail: Chains selling off, gobbling each other up, downsizing, and even a couple on the growth warpath. You'll see lots of differences in numbers over just a year ago among many of these listed.

As you'll see in our Regional Retail Report (see Page 8), many re-



**Naming “top” retailers by revenues can be misleading and inaccurate, so we've selected to list them by storefronts with a bit of commentary to get you thinking.**

tailers seem optimistic about this coming year, despite 2003 being mostly flat (which you could say means “down” since 2002 wasn't a year to write home about). Still, a few reported sales gains, which may have meant profit gains, or not, depending on whether new stores were a part of that picture. With 2004 starting with a bang for many retailers, they are (well, with a few exceptions) looking eagerly toward a continued upswing this year. That's also partly because large manufacturers that have been wrapped up with changes in ownership, brands, management or finances—such as Precor, Nautilus and Cybex—are beginning to settle in and pass on a feeling of growing stability and more maturity to their retailers. Never hurts to know the hand that keeps you supplied is more solid.

Now, when it comes to sporting goods stores and mass merchants, it's much easier to rank by revenues since most are indeed publicly traded but, for consistency, we'll also rank by store numbers—focusing of course only on the big boxes and mass merchandisers that are more significant to the fitness industry. In some cases, where a chain has more numerous smaller storefronts, the larger store numbers may push it higher on the list than revenues would. Of course, the biggest change last year was in the creation of the behemoth national chain with the merger of The Sports Authority and Gart Sports that was completed in early August 2003. Kmart's downsizing also played a role in the market, as did Costco's continued expansion in its retailing of fitness products. We'll look forward to hearing your comments and critiques about these lists!

—Additional research by Julie King and Wendy Geister

## » SPECIALTY

Store	Address/Telephone	Website	States	Store Nos. 2003	Change from 2002
<b>1. The Fitness Experience</b> . . . . .	877 N. Larch Ave., Elmhurst, IL 60126, 630-516-7400 . . . . .	www.fitnessexperience.com . . . . .	IL, IN, MI, MO, OH, WI . . . . .	55 . . . . .	0
» After a big 2002 merger with Exercare, 2003 was the period to organize and to focus on profitability. Once management settles in, we expect more growth in a conservative and methodical way.					
<b>2. Fitness Holdings Int'l (Busy Body)</b> . . . . .	2746 Pacific Coast Hwy., Torrance, CA 90505, 310-626-8073 . . . . .	www.busybody.com . . . . .	AK, AZ, CO, CA, WA . . . . .	47 . . . . .	up 26
» 2003 saw FHI jump nearly to the front after purchasing Omni's West Coast stores and Hoist's Fitness Warehouse stores, while still looking to open its own. This group is on the move!					
<b>3. Omni Fitness</b> . . . . .	60 Oxford Dr., Moonachie, NJ 07074, 201-334-1102 . . . . .	www.omnifitness.com . . . . .	CT, DE, MA, NH, NJ, NY, PA . . . . .	46 . . . . .	down 19
» Omni regrouped slightly by becoming more of a Life Fitness showcase, putting Chris Clawson in as manager, and selling its West Coast stores to Busy Body in the fall.					
<b>4. 2nd Wind Exercise Equipment</b> . . . . .	1345 Colorado Ave. S., Saint Louis Park, MN 55416, 952-544-5249 . . . . .	www.2ndwindexercise.com . . . . .	IL, IA, MN, ND, SD . . . . .	26 . . . . .	up 1
» 2nd Wind says it has plans to open 7 stores, all nearly by the time you read this. Dick Enrico will likely have some more attention-getting ads too, and we love him for it.					
<b>5. Gym Source</b> . . . . .	40 E. 52nd St, New York, NY 10021, 212-688-4222 . . . . .	www.gymsource.com . . . . .	CT, FL, MA, NJ, NY, PA, RI . . . . .	25 . . . . .	up 7
» Gym Source has plans to take 10 steps forward with expansion slated this year into CA, DE, AZ and MD to add 10-12 stores and complete a couple of acquisitions. Ye gawds!					
<b>6. Fitness Resource</b> . . . . .	2721 Dorr Ave., Fairfax, VA 22031, 703-849-8300 . . . . .	www.fitnessresource.com . . . . .	VA, MD, GA . . . . .	21 . . . . .	0
» Quietly, oh so quietly, Fitness Resource doesn't beat the drums loudly but don't count 'em out of the battle for the top. It too has plans for additional stores this year.					
<b>7. Gyms To Go (Busy Body)</b> . . . . .	910 S.W. 2nd Place, Pompano Beach, FL 33069, 954-781-1787 . . . . .	www.gymstogo.com . . . . .	FL, GA . . . . .	13 . . . . .	up 5
» Not to be outdone by its busier namesake in California, Gyms to Go is also adding stores very quickly and trying to stomp out competition too.					
<b>8. All About Fitness</b> . . . . .	7300 Sage Brush, Parker, CO 80134, 303-841-1641 . . . . .	www.aafitness.net . . . . .	AZ, CO, KS, NV . . . . .	12 . . . . .	up 1
» Moving into the growing Las Vegas market was a smart move. Watch out, this chain may decide to put down a few more roots there.					
<b>9. LA Gym Equipment</b> . . . . .	12304 Sherman Way, North Hollywood, CA 91605, 818-759-4800 . . . . .	www.lagym.com . . . . .	CA . . . . .	12 . . . . .	0
» Plans this year include taking another step into the San Diego market to go head-to-head with Busy Body's growth there with the Fitness Warehouse acquisition. That's after buying Planet Fitness last year.					
<b>10. HEST Fitness</b> . . . . .	4730 S.P.I.D, Corpus Christi, TX 78411, 361-814-4378 . . . . .	www.hestfitness.com . . . . .	TX . . . . .	12 . . . . .	up 1
» HEST added 1 in the competitive Dallas market in November after opening 2 there in late 2002. The focus now? Stabilizing these additions.					
<b>11. Fitness Unlimited</b> . . . . .	10516 Old Katy Rd., Suite A, Houston, TX 77043, 832-358-1702 . . . . .	www.fitnessunlimited.com . . . . .	TX . . . . .	11 . . . . .	0
» Actually operating under the names Fitness Unlimited, Busy Body and Winston, the group looks to take on another storefront in Houston this year.					
<b>12. Push Pedal Pull</b> . . . . .	3110 W. 12th St., Sioux Falls, SD 57104, 605-334-7740 . . . . .	www.pushpedalpull.com . . . . .	ND, SD, NE, IA, OK, NM, NJ . . . . .	12 . . . . .	0
» Numbers have been steady since closing a couple of stores in Wisconsin in 2002, with plans to hang tight. The 4 MN stores are a sister company and not counted here.					
<b>13. Superior Fitness Systems</b> . . . . .	1212 A-D Graphic Court, Charlotte, NC 28206, 704-342-0111 . . . . .	www.superiorfitness.com . . . . .	NC, SC, VA . . . . .	10 . . . . .	0
» In one of the same markets as Fitness Resource, Superior has chosen to stick with its 10 stores for now to keep resources centered and strong.					
<b>14. G &amp; G Fitness</b> . . . . .	7350 Transit Rd., Williamsville, NY 14221, 716-983-1448 . . . . .	www.livefit.com . . . . .	NY, PA . . . . .	10 . . . . .	0
» Usually choosing to open 2 at a time, the folks at G & G look to do another duo in 2004, but are silent on the locales.					
<b>15. Fitness Headquarters</b> . . . . .	11930 Preston Rd., Suite 140, Dallas, TX 75230, 972-620-7788 . . . . .	www.fitnessheadquarters.com . . . . .	TX . . . . .	9 . . . . .	0
» Fitness HQ, in losing its VP Ilan Katz last year to his own retail endeavor in Florida, also stayed with its 9 stores, but don't be surprised if it adds another this year.					
<b>16. Fitness Gallery</b> . . . . .	14647 S. 50th St., Suite 100, Ahwatukee, AZ 85044, 480-705-1901 . . . . .	www.fitnessgallery.com . . . . .	AZ, CO, KS . . . . .	8 . . . . .	down 4
» Fitness Gallery has retreated a bit, and store numbers have dropped by a third. In 2003, it pulled totally out of Georgia (3) and its large Houston location. With this cutback, the industry is abuzz about its future.					
<b>17. Fitness Showcase</b> . . . . .	1221 W. 103rd St., Kansas City, MO 64114, 816-942-9300 . . . . .	www.fitness-showcase.com . . . . .	MO, WA . . . . .	8 . . . . .	0
» With 6 of 8 stores being less than 4 years old, this group is choosing to focus on growth within each store/region during 2004. No more new ones for now!					
<b>18. HealthStyles Exercise</b> . . . . .	P.O. Box 1934, Glenwood, CO 81602, 970-928-9345 . . . . .	www.healthstyleexercise.com . . . . .	CO . . . . .	7 . . . . .	up 2
» HealthStyles added 2 in fall 2003, moving into the stuffed Denver market, and has found suburban outlet malls to be a good location because of walk-by traffic—even with regular prices.					
<b>19. Factory Fitness</b> . . . . .	3620 Bethany Rd., Indianapolis, IN 46268, 317-870-7216 . . . . .	www.factoryfitness.com . . . . .	IN, KY . . . . .	7 . . . . .	0
» Reducing SKUs and manufacturers to help the consumer focus better is one way Factory Fitness is going to work on retail efficiency while sticking with 7 stores.					
<b>20. Advanced Exercise Equipment</b> . . . . .	9500 W. 49th D-100, Wheat Ridge, CO 80033, 303-996-0048 . . . . .	www.advancedexercise.com . . . . .	AZ, CO, KS . . . . .	6 . . . . .	up 1
» AEE is expecting strong growth in 2004, not only from the industry's first brand store (a Life Fitness store in Scottsdale, AZ), but from adding 2-3 more stores in current markets.					
<b>21. The Fitness Store</b> . . . . .	19511 Bus Ctr Dr., Northridge, CA 91344, 818-882-3520 . . . . .	www.tfs.la . . . . .	CA . . . . .	6 . . . . .	0
» Southern California isn't exactly barren of fitness dealers, and the last one TFS added was in 2002. But it has an eye on taking on another storefront later this year—if it finds the right place.					
<b>22. Bergen Home Fitness</b> . . . . .	260 Broadway Rt. 4, Elmwood Park, NJ 07407, 201-791-8890 . . . . .	None . . . . .	NJ . . . . .	5 . . . . .	0
» Bergen has stayed squarely focused on New Jersey, and says 2004 will be a big year with owners looking to add stores and remodel current ones all the way around.					

(continued)

23. **Fitness Pro** . . . . . 30 W. Montgomery Cross Rd., Savannah, GA 31406, 912-961-0242 . . . None . . . . . GA . . . . . 5 . . . . . 0  
 » With large population growth happening in the Southeast, Fitness Pro has struck some gold and is still experiencing pretty significant growth year-over-year.
24. **Fitness Outlet** . . . . . 13407 N.E. 20th St., Bellevue, WA 98005, 425-957-4707 . . . . . www.thefitnessoutlet.com . . . . . CA, WA . . . . . 5 . . . . . 0  
 » With 2 in California's capital city area and 3 in upscale Seattle areas, this group has found its niche and is sitting tight now, although you never can tell if another may indeed be on the horizon.
25. **Fitness Shop** . . . . . 13900 N.E. 20th St., Bellevue, WA 98005, 425-643-1033 . . . . . www.fit-shop.com . . . . . OR, WA . . . . . 5 . . . . . 0  
 » Don't fix what ain't broke; that's what The Fitness Shop says about its 5 stores in the Northwest—a business that began 26 years ago.

## » SPORTING GOODS

- | Store  | Address/Telephone  | Website                              | Store Numbers 2003 |
|--|--|--------------------------------------|--------------------|
| 1. <b>The Sports Authority</b> (NYSE: TSA) . . . . .   | 1050 West Hampden Ave., Englewood, CO 80110 . . . . .            | www.thesportsauthority.com . . . . . | 389                |
| » Store numbers up 185, partly based on completion of Gart merger. Slight decrease in revenues based on merger.  |  |                                      |                    |
| 2. <b>Big 5 Sporting Goods</b> (NASDAQ: BGFV) . . . . .  | 2525 East El Segundo Blvd., El Segundo, CA 90245 . . . . .       | www.big5sportinggoods.com . . . . .  | 293                |
| » Same store sales still rising after 33 or so (we've stopped counting) consecutive quarters.  |  |                                      |                    |
| 3. <b>Dick's Sporting Goods</b> (NYSE: DKS) . . . . .  | 200 Industry Dr., RIDC Park West, Pittsburgh, PA 15275 . . . . . | www.dickssportinggoods.com . . . . . | 162                |
| » Revenues up partly based on increase in women's and exercise categories. Added 17 stores.  |  |                                      |                    |
| 4. <b>Modell's Sporting Goods</b> . . . . .  | 498 7th Ave., 20th Fl., New York, NY 10018 . . . . .             | www.modells.com . . . . .            | 114                |
| » Although emphasizing team sports, the stores have expanded into more fitness equipment.  |  |                                      |                    |
| 5. <b>Academy Sports and Outdoors</b> . . . . .  | 1800 N. Mason Rd., Katy, TX 77449 . . . . .                      | www.academy.com . . . . .            | 78                 |
| » Academy has inauspicious beginnings as a tire store. Today, it plans growth in the Southeast.  |  |                                      |                    |
| 6. <b>MC Sports</b> . . . . .  | 3070 Shaffer S.E., Grand Rapids, MI 49512 . . . . .              | www.mcsports.com . . . . .           | 65                 |
| » The Midwestern retailer finds its fitness niche with less expensive gear.  |  |                                      |                    |
| 7. <b>Galyan's Trading Co.</b> (NASDAQ: GLYN) . . . . .  | 2437 East Main St., Plainfield, IN 46168 . . . . .               | www.galyans.com . . . . .            | 43                 |
| » Added 9 stores. With plans to add another 7-9 stores in 2004 on slightly higher same store sales.  |  |                                      |                    |
| 8. <b>Copeland's</b> . . . . .   | 966 Monterey St., San Luis Obispo, CA 93401 . . . . .            | www.copelandsports.com . . . . .     | 38                 |
| » This West Coast-focused chain does a moderate fitness business with good names.  |  |                                      |                    |
| 9. <b>Sport Chalet</b> (NASDAQ: SPCH) . . . . .  | One Sport Chalet, La Canada, CA 91011 . . . . .                  | www.sportchalet.com . . . . .        | 31                 |
| » Looking to add another duo of stores in 2004 after 2 in 2003.  |  |                                      |                    |
| 10. <b>Scheel's All Sports</b> . . . . .   | 3218 13th Ave. South, Fargo, ND 58103 . . . . .                  | www.scheelssports.com . . . . .      | 20                 |
| » The family-run Midwestern chain is growing more "all sports" stores with 3 planned in 2004.  |  |                                      |                    |
| • <b>Play It Again Sports</b> (NASDAQ: WINA) . . . . .   | 4200 Dahlberg Dr., Suite 100, Minneapolis, MN 55347 . . . . .    | www.playitagainsports.com . . . . .  | 449                |
| » Although huge in numbers, we have not ranked PIA since not all stores carry fitness—or carry much fitness—whereas others carry a lot. Plus, public revenue figures don't necessarily indicate the quantity of stores that carry fitness or the percentage of fitness business done by those that do. |  |                                      |                    |

## » MASS MERCHANDISERS

- | Store   | Address/Telephone                                      | Website                   | Store Numbers 2003 |
|---|--|---------------------------|--------------------|
| 1. <b>Wal-Mart</b> (NYSE: WMT) . . . . .  | 702 Southwest 8th St., Bentonville, AR 72716 . . . . . | www.walmart.com . . . . . | 2,826              |
| » For perspective, this behemoth added 113 stores in 2003 and plans to add more than double that number this year!                        |  |                           |                    |
| 2. <b>Kmart</b> (NYSE: KMRT) . . . . .  | 3100 West Big Beaver Rd., Troy, MI 48084 . . . . .     | www.kmart.com . . . . .   | 1,513              |
| » After bankruptcy and closing stores, Kmart regrouped and emerged in May 2003. Now, if only Martha would get out of the news.            |  |                           |                    |
| 3. <b>Target</b> (NYSE: TGT) . . . . .  | 1000 Nicollet Mall, Minneapolis, MN 55403 . . . . .    | www.target.com . . . . .  | 1,227              |
| » It's Tar'-geh to you, and don't laugh: It added 79 stores last year, with same store sales up 3.5 percent.                              |  |                           |                    |
| 4. <b>Sears</b> (NYSE: S) . . . . .   | 3333 Beverly Rd., Hoffman Estates, IL 61079 . . . . .  | www.sears.com . . . . .   | 872 (full-line)    |
| » Fitness equipment continued to be a strong business for Sears, and companies other than Icon are now creeping in the door.              |  |                           |                    |
| 5. <b>Costco</b> (NASDAQ: COST) . . . . .   | 999 Lake Dr., Issaquah, WA 98027 . . . . .             | www.costco.com . . . . .  | 318 (U.S.)         |
| » These days, you find more fitness gear next to gargantuan packages of TP and dog food. Look for another 10-12 warehouses before August. |  |                           |                    |