



## CUSTOMER SUCCESS

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# National Health Club

## Saving the Planet and Improving Profits, One Gym at a Time

### National Health Club

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Other solutions are like fitness trackers — only as good as what you do. If you do not exercise, they do nothing. ENTOUCH is more like a personal trainer, pushing you to do more. It's like putting your money in a savings account versus just buying a wallet. If you don't change your behavior, ENTOUCH can still help.

I would be extremely likely to recommend ENTOUCH to a friend or colleague and have already done so. ”

### SITUATION

National Health Club is one of the largest health club chains in the country with 400 locations and over 22,000 employees. The clubs are open 24 hours a day to allow members to make their workout fit their schedule and become an energizing and rewarding part of their day. National Health Club has embarked on an aggressive organic growth plan and transformation of their brand with a more member-centric focus.

### CHALLENGE

Key to their strategy is to optimize member comfort. This includes keeping the proper humidity and temperatures in the sauna, pool and weight areas, as well as ensuring consistently hot water for showers with proper exhaust fan control. All while managing energy spending and facilities, particularly HVAC, capital investments.

National Health Club's legacy system was no longer flexible or service oriented enough to meet the Company's needs. Hardware would break and need replacement after just three years and the cost plus the time to manage the system had become increasingly difficult to justify. Since the legacy system only provided energy management and did not offer a monitoring solution, it was hard to see much benefit. National Health Club was not like a simple retailer that can easily benefit from turning off lights and implementing temperature set-backs after closing.

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**OPERATING**

**400**

**CLUBS FROM**

**1**

**LOCATION**

## **SOLUTION**

After a competitive evaluation, the Vice President of Facilities and Maintenance selected ENTOUCH because of its superior support, flexibility, and more reasonable pricing. The Director of Facilities Operations manages the day to day relationship with ENTOUCH. The two leaders have spent their entire careers, together totaling fifty years, at the Company, so they understand their facility and energy management needs and related nuances intimately.

ENTOUCH offered a more robust reporting system that enabled them to understand what is really going on with the HVAC unit: outside temperature, humidity, CO2 levels in the room and more. The incumbent could only read room temperature, supply air temperature, and exterior temperature with three separate sensors, making it less functional while requiring more hardware.

To maximize the value of its installation, the company chose the ENTOUCH.360 service that provides 24x7 monitoring and a concierge service that also includes a lifetime warranty covering any hardware replacement, thereby maximizing their financial return while eliminating any unexpected costs.

The number one requirement that the two leaders demanded from their building automation and energy management system was the ability to operate their 400 clubs out of their one national location. They also wanted uniformity and adherence at every site to the American College Sports Medicine Guidelines for the Club Industry, including a temperature range of 73-76 depending on what area of the gym a member used.

Ultimately the biggest benefit ENTOUCH delivered was visibility. This enabled the Company to staff an in-house HVAC team that improved performance and lowered costs. That was the biggest separation between the incumbent and ENTOUCH. The prior system was designed to raise flags. ENTOUCH, on the other hand, gives the Company the visibility into when to roll a truck, when to set back, and the ability to troubleshoot remotely and therefore control not only energy, but also maintenance costs. With an in-house team, the Company needed precise information on each HVAC unit to determine their best course of action and ENTOUCH delivered.

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SAVED

\$3.6M

IN JUST

18

MONTHS



1.5

YEAR PAYBACK



14.4%

ENERGY SAVINGS

The National Health Club has retrofitted old locations from the legacy system to ENTOUCH and all new locations get ENTOUCH. "With the ENTOUCH system, the installation cost was much less due to equipment design and wireless connectivity between ENTOUCH components."

### RESULTS

The National Health Club now has visibility and control into each one of its more than 300 clubs fitted with the ENTOUCH system and justifies its ongoing expansion based on the proven savings. ENTOUCH has saved The National Health Club \$3.6 million in just 18 months. The investment had a 1.5 year payback. ENTOUCH under promised and over delivered on the system performance, initially estimating a 10% energy savings but actually delivering a 14.4% savings.

*“ Within our Facilities Management group, the value of ENTOUCH is to know where and when to troubleshoot and repair. For our Finance team, the biggest value is ROI. ENTOUCH has far exceeded our energy savings expectations. If we had stayed with our old system, we would have only had 5% savings. ”*



#### FINANCIAL IMPACT

- \$8.7MM 5 year cashflow
- \$2.4M projected annual utility savings (energy + operational)
- 1.5 Year Payback
- 230% 5 year ROI



#### SUSTAINABILITY IMPACT

- 29.1MM lbs reduction Carbon emissions
- 15,540 acres forest saved
- 10.1MM lbs waste recycled
- 14.4% kWh reduction

## KEY BENEFITS

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### MEMBER COMFORT AND RETENTION

The National Health Club places priority on retaining current members and maximizing their satisfaction. It is always more expensive to acquire new members.



### IMPROVED AIR QUALITY

Between Spin classes, ENTOUCH found higher than expected CO2 levels and spikes in exercise room temperature. By monitoring, ENTOUCH exhausts the air out of the room, refreshing the environment for the next class and saving money on HVAC system costs. ENTOUCH can also, as needed, remotely turn on the air conditioner to drive the temperature down to a comfortable level – supporting back to back classes and enhancing the member experience.

ENTOUCH also increased air exchanges in laundry areas to exhaust air to refresh laundry areas that are high in humidity, making the environment more comfortable for team members. Using the same practice, upon chemical treating of pools, ENTOUCH was able to exhaust air to reduce odor and improve overall air quality for members.



### OPTIMIZE HUMAN RESOURCES

ENTOUCH is a simple and robust system that doesn't require a dedicated resource to manage. The legacy system required one FTE. The Company has since redeployed that headcount to other responsibilities.

ENTOUCH monitors hot water systems to ensure boilers are maintaining desired temperature levels to benefit members while improving operational efficiency since team members no longer have to perform routine checks.



### NO DOWNSTREAM HARDWARE COSTS

Hardware replacement is a big deal.

## KEY BENEFITS

- “ ENTOUCH knows before we do if and when hardware needs to be replaced. While issues are rare, when they occur, ENTOUCH reaches out to our on-site technician to let them know the problem and if necessary, will send out new hardware for our technician on site to replace. This is all covered under our ENTOUCH.360 services agreement. ”
- “ With ENTOUCH.360, Account Managers are watching out for us 24/7 and making sure all our hardware stays running. At the 3 to 4 year mark, we will reap the huge benefit of not having to replace hardware at a high cost as we would incur with other EMS providers. ”



### CLEAN IMPLEMENTATION

ENTOUCH's installation process was done once, correctly without disruption to our business. They knew where to put the sensors to capture the temperature correctly.



### GOOD PARTNER

- “ As we come up with needs, ENTOUCH comes up with new solutions. When our water heaters fail, members are very upset since they can't take warm showers. ENTOUCH suggested putting sensors on the pipes of the water heaters. Now, instead of hearing about problems from member complaints, we know the problem before it impacts member comfort. ENTOUCH also solved issues with our exhaust fan functionality. ENTOUCH does a fantastic job of understanding our issues and coming up with solutions. ”
- “ They have taken the time to understand our business and how different we are from other gyms as a 24 hour operation. We appreciate our relationship, their openness and willingness to think about new solutions. They use their ingenuity to find incremental savings above and beyond the original forecast. ”
- “ Unlike the options from the big companies, ENTOUCH is much more nimble. Their team thinks outside the box to brainstorm on our needs. They are unique! ”