

# CLUB BUSINESS INTERNATIONAL



## A Public Asset

THE STONE CREEK CLUB & SPA LOVES COVINGTON, AND COVINGTON LOVES IT. FROM LEFT: PRESIDENT AND GENERAL MANAGER LARRY CONNER, OWNERS SCOTT GUTTERMAN AND QUENTIN DASTUGUE



Larry Conner: the Stone  
Creek Club & Spa

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When the Stone Creek Club & Spa opened its doors in Covington, Louisiana, in 2009, it faced a number of obstacles: It was an upscale, high-priced facility, in a saturated market, and the Great Recession was under way. It boasted a beautiful facility, appealing programs, and exceptional service, but what made it a remarkable success was community service. Stone Creek made itself *matter* to Covington.

Cover photograph and above by Collin Richie.

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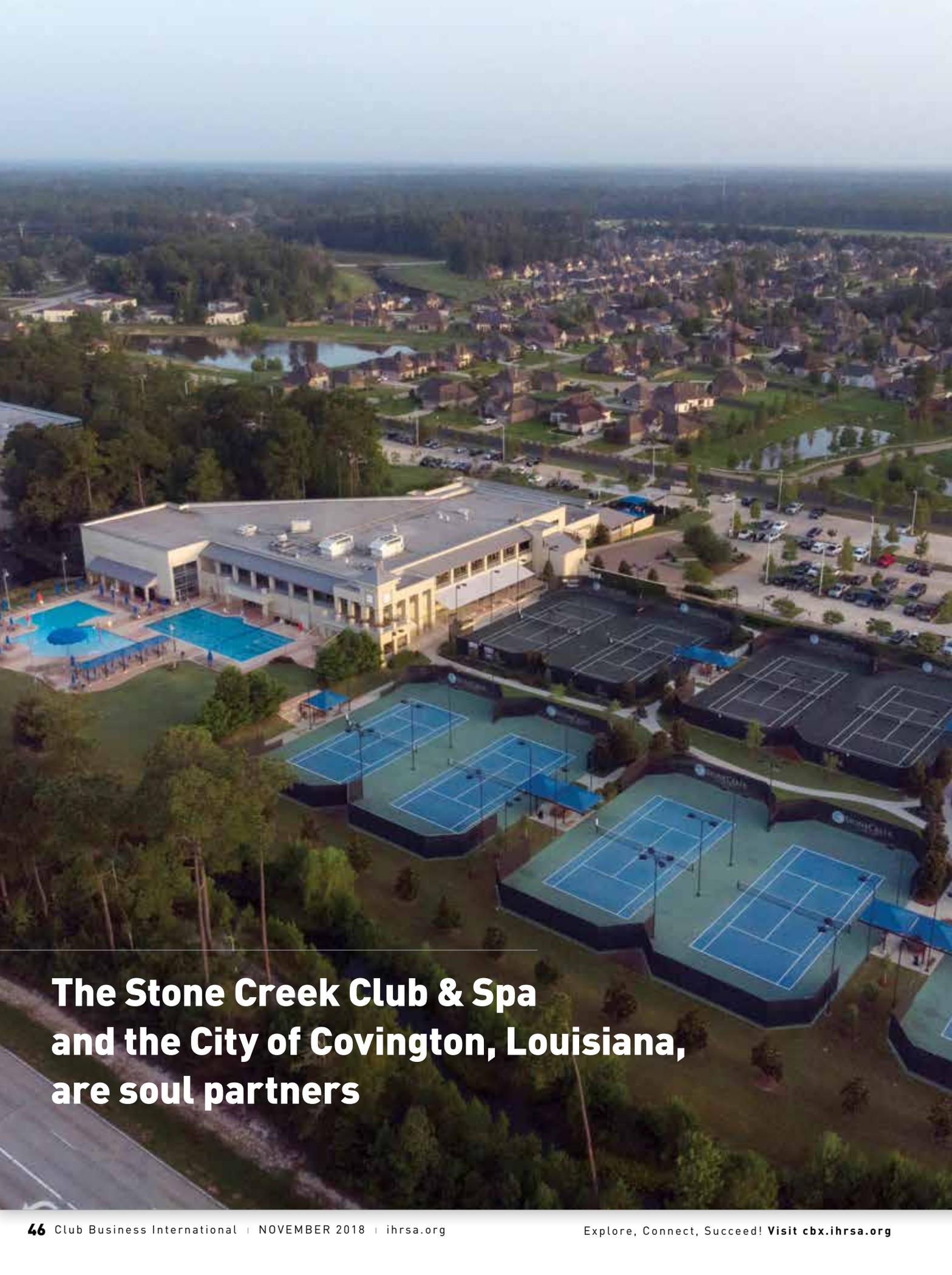
Some 31 million Americans suffer with back pain. Clubs can help.

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**The Stone Creek Club & Spa  
and the City of Covington, Louisiana,  
are soul partners**



The Stone Creek Club & Spa management team; Larry Conner, center



Aerial view: Stone Creek Club & Spa

# A Public ASSET

By Jon Feld

Being a solid corporate citizen and community steward is, admittedly, a worthy and commendable achievement. But for most businesses, it's an adjunct, a sideline, a nonessential aspect of what they do.

For others, though, it's their heart, their soul, as critical to their success as sales or a healthy profit margin.

That, in fact, seems to be the case with the Stone Creek Club & Spa, in Covington, Louisiana.

When the club opened in 2009, it had much going for it, but it also had a number of metrics working against it.

Today, the 53,000-square-foot, resort-style club is situated on 15 acres, along with a conference center and a 100,000-square-foot office building. It offers an impressive array of amenities, including 15 tennis courts; salt water lap and resort pools; a café and Tower Bar; a day spa; childcare; adult locker rooms with wet saunas, cold plunges, and whirlpools; and a family locker room.

But, back in 2009, the country was coming to grips with the Great Recession, and Covington was one of the most competitive and saturated club markets in Louisiana. Approximately 40% of the population already belonged to one of two other large facilities in the area; Stone Creek's enrollment fee was substantially higher than that of its closest competitor, and its dues at least 50% more. →

All photography by Collin Richie unless otherwise noted.

## A Public Asset

Stone Creek had a bit more than 450 memberships and 1,249 members, and membership revenues were running 20% below budget.

Today, just nine years later, the story and the picture are much different.

The club has 1,879 memberships with 5,028 members, and is generating more than \$7.5 million in annual revenues, 45% of which comes from nondues sources. It's also renowned and respected across the IHRSA universe.

How does one explain the transformation?

It goes without saying that the club's owners and Larry Conner, its president and general manager, more than mastered the business basics. They provided the public with a stunning complex; engaging, must-have amenities; and impeccable, professional service. Over the years, Stone Creek has won countless awards—for, among other things, "Best Club," "Best Day Spa," "Best Tennis Courts," and "Best Personal Trainer."

But, perhaps most importantly, the club—at first intuitively and, then, consciously—has cultivated what amounts to a corporate love affair with the greater Covington community.

### A DRAMATIC DEBUT

Conner, a 26-year industry veteran and a member of IHRSA's board of directors, realized that the new club required a dramatic debut. It had to make itself known, become a presence in the market, quickly and indelibly.

"We were looking for ways to kick-start the club and showcase everything we offered," he recalls. "Ironically, what got us on the map was our first fundraiser."

The idea for a charity to support that came to mind was the Rich Mauti Cancer Fund, the creator of the Rich Mauti Tennis Classic, an annual four-day competition that assists cancer patients and underwrites cancer education and screenings. Rich Mauti, an NFL wide receiver who played for the Washington Redskins and the New Orleans Saints, had established the fund after losing his father to cancer.

The Classic had been held at a club Conner had worked at previously, but the event was on sabbatical when he approached Mauti and asked for permission to move the tournament to Stone Creek.

Mauti agreed, and is now a member of the club and its board of advisors.

"Even though only 10 of our 12 courts were ready, and even though the club wasn't open yet, he gave us a try," says Conner, "and that, our first event, was a complete success."

"The Classic raised more money that year than it ever had before, and, each year since, we've



Tennis Classic crowd: Rich Mauti, 2nd from L.; Nancy Mauti, 4th from L.; former professional tennis player Brett Custer, far right



Last year, the club raised \$18,000 for veterans' causes

more than doubled the amount raised in the previous year. We've just now concluded our 10th Classic."

The initial tournament produced a small windfall for the Fund, allowing it to assist individuals in need, but also produced several other priceless benefits. "It brought our team together," reports Conner. "The Tennis Classic gave us something that we could be extremely proud of, and that we could look forward to each year."

It also put Stone Creek in play in Covington—overnight and in a big way.

"Opening a high-end club in a crowded market was certainly a challenge," recalls Stephanie Coulon, the club's member services and marketing manager. "In the beginning, even during construction, we battled a public perception that Stone Creek would be too exclusive and elitist."

"But we quickly dispelled those assumptions by hosting that first fundraiser."

Says Conner, "We recognized then what supporting charities could do for us."



A waiting area with a view

## PHILANTHROPY AT WORK

Investing in the community, Conner discovered, was one of the cornerstones of lasting success—not simply because it was effective from a strategic standpoint, but also because it was clearly the *right* thing to do.

The underlying reality: When you listen to your heart and do what's honorable, you serve others, your club, and yourself well.

"I've always wanted to live my life by doing the right thing," explains Conner. "And I can attest to the fact that people want to do business with people and companies that have good values. Other numbers confirm that."

Stone Creek has cultivated a mutual admiration society with the Greater Covington community by giving back *generously*, participating in a long list of good-hearted, charitable events—some small and personal, and some large and high-profile—that resonate deeply with people.

Last year, it raised approximately \$420,000 for local and national causes.

It's hard to compare its giving with that of other firms, but if you divide the total number of U.S. businesses (estimated at 30,018,500) by total corporate contributions in 2017 (\$20.77 billion), you get an average of about \$690 per organization.

Stone Creek is clearly in a league of its own.

Even a short list of its good works is staggering.

Last year, it conducted the Rich Mauti Tennis Classic (\$85,000 raised); Kickin' Parkinson's (\$300,000), which supports the Michael J. Fox

Conner pauses in the club's cafe



Foundation for Parkinson's Research; Salute Our Soldiers (\$18,000), which provides funds for the Wounded Warrior Project, Wounded War Heroes, and Operation Homefront; Bear Hugs, \$1,400, plus 500 teddy bears donated to children at local hospitals; and the School Initiative (\$10,000), a multi-club effort that purchased physical education equipment for the 27 elementary schools in St. Tammany Parish, Louisiana.

This year, even though Kickin' Parkinson's—the club's largest fundraiser—is on hiatus, the eight events it's sponsoring should raise close to \$200,000. Of special note, its first-time participation in the Rock-n-Roll Half Marathon for Augie's Quest, in New Orleans, raised \$30,000.

Next year, with a full event schedule, Stone Creek is on course to raise close to \$500,000. →

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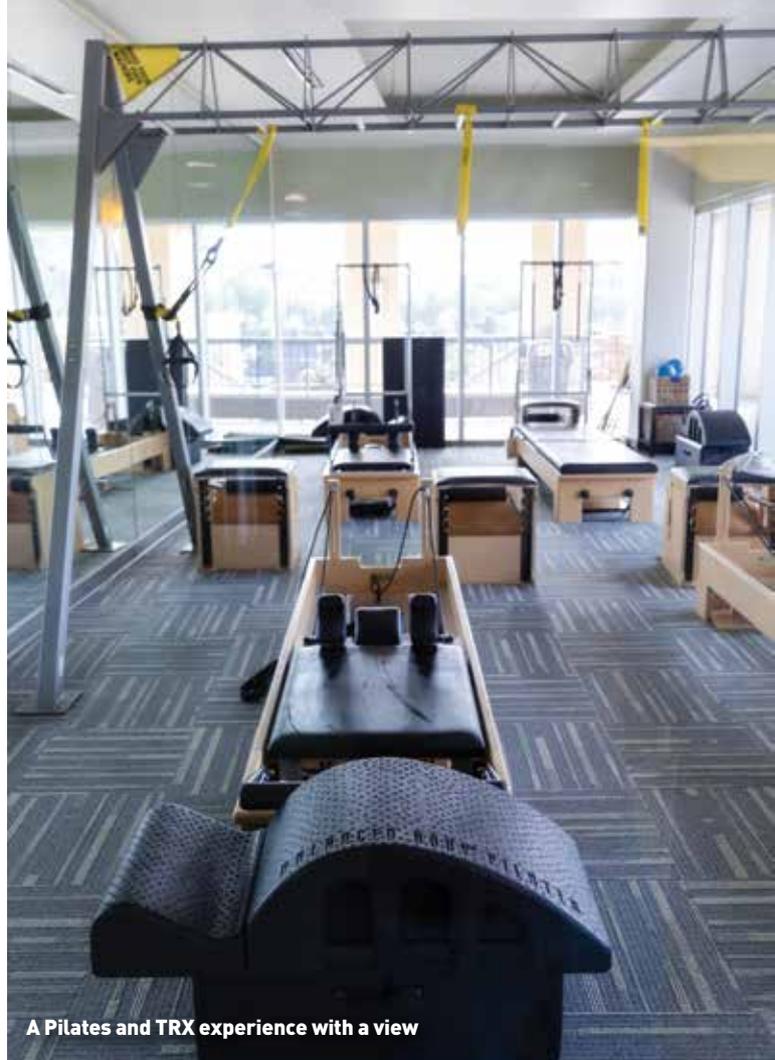
“That tally doesn’t even include a large number of events that we’re involved with outside of the club,” points out Conner.

### CONNECTING WITH THE ESSENCE

Doing what’s right is, by its very nature, a contagious affair. Stone Creek’s commitment to doing just that over the years has not only led the community to endorse and embrace it, but has also prompted the public to step forward to participate, and, even, persuaded competitors to join it in supporting worthy causes.

The Bear Hugs campaign, now in its third year, was launched after one of the club’s young clients, Avery, the daughter of two of its most faithful members, was diagnosed with a life-threatening illness. Stone Creek sponsored a tennis tournament and a blood drive, both of which were successful, but two employees—Spa Director Katie Santangelo and Assistant Director Brittany Krause—wanted to do more.

They ordered several hundred stuffed bears sporting Stone Creek T-shirts, and encouraged members and guests to “buy-and-donate” a bear, with the proceeds donated to Children’s Hospital, in New Orleans, in Avery’s name.



A Pilates and TRX experience with a view



The cardio studio overlooks a spacious strength-training area



**Colorful pool play area**



**Pleasant place to take a break**

The bears were distributed to children in a number of hospitals.

“As Avery’s health improved and she went home to recover, the response in the community was overwhelming,” says Santangelo. “Thanks to social media, the word spread so quickly that we had folks from far away volunteering to participate.”

Similarly, the School Initiative was one that came straight from Stone Creek’s heart. The club had always supported fundraisers held by local schools, but, when Conner read a newspaper article about a teacher having to buy her own school supplies, he—like Santangelo and Krause—decided that something more had to be done.

He also realized that, in order to have a real impact on the 27 local elementary schools, he was going to need help. So Conner reached out to two local competitors, Franco’s and the Pelican Athletic Club, also IHRSA members, and asked them to pitch in.

“They immediately said yes,” Conner reports. “We each pitched in \$2,000, and, with a large discount from Power Systems, we were able to purchase more than \$10,000 worth of exercise equipment for the schools.”

Fred Klinge, the general manager of Pelican, reflects that, “As general managers, we’re some-

times so involved in ‘business’ that we lose touch with the fundamental things that first attracted us to the health and fitness industry. The School Initiative provided a great opportunity to reconnect with that essence.

“Working together with Stone Creek and Franco’s created a positive synergy, and represented a great example of how private-sector businesses can work together and make a difference in local communities.”

Over the years, Stone Creek has won more than its share of awards, but the one that Conner treasures most is the 2018 “Tammany Award” for Business of the Year, presented by the St. Tammany West Chamber of Commerce.

“This is an award that’s presented to a company that’s made a significant contribution to the local community,” he explains. “We won it primarily because of what we’re doing with our fundraisers. The award underscores our work and makes it even more meaningful.

“Clubs are an amazing place,” he observes. “We transform people inside and out every day. All it takes is passion and a determination to do the right thing.” —

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