## Planet Fitness

Case Study | Health & Wellness

### creative materials corporation



Founded in 1992 in Dover, N.H., Planet Fitness is one of the largest and fastestgrowing franchisors and operators of fitness centers in the United States by number of members and locations. Planet Fitness has 10 million members and 1,367 stores in 48 states, the District of Columbia, Puerto Rico, Canada and the Dominican Republic. More than 95% of Planet Fitness centers are owned by franchisees.

### CHALLENGE | EXPAND TO NATIONWIDE DISTRIBUTION & REDUCE BUILD-OUT COSTS

As Planet Fitness was experiencing growth and increasing its number of fitness centers, the need was rapidly arising to efficiently supply building materials beyond Planet Fitness's base in the Northeast. Planet Fitness's regional tile supplier was not equipped to handle nationwide distribution demands, so it was time to find a national supplier. Planet Fitness was also looking to investigate ways to lowers costs within their existing design scheme to increase value to franchisees. Although cost was an important factor, meeting build-out deadlines and upholding the design scheme also remained critical.

#### SOLUTION | CONSOLIDATED TILE SUPPLY PROGRAM

After vetting a number of suppliers, Creative Materials was chosen by Planet Fitness to supply tile and setting materials on a nationwide basis. Creative Materials offers a strategically optimized nationwide warehouse network that could support Planet Fitness's expansion.

Creative Materials got started by consulting with Planet Fitness on what the most important design factors were, and utilized a vast network of manufacturers to match the originally selected products, upholding the design aesthetic of the material while also reducing cost. "By optimizing the products as well as the supply chain network used to deliver the products to the jobsites, Planet Fitness saw a reduction in material costs of 22%."

> - Craig Lansley, Vice President, Supply Chain, Creative Materials Corporation

Once products were selected, they were integrated into a consolidated supply program and tile was stocked and made available throughout the U.S. per Planet Fitness's development footprint. Planet Fitness benefited from dedicated stock availability nationwide, and tile and setting materials were delivered to the fitness centers in one week or less. Additionally, Planet Fitness was impressed with Creative Materials' Client Services Department that offers a single point of contact, and meets critical deadlines.

#### Location Nationwide

Project Type Health & Wellness

#### **Areas Supplied**

Lobby Floor, Locker Room Floor, Walls, Water Fountain Backsplash, Black Card Floor

#### Products

Skyline Storm Cedar Blend Gemstone Grey Aqua Blend Ember Ash Estate Orchard Bliss Linear Waterfall Mosaic Celestial Chelsea Schluter Rubber Base Setting Materials

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#### **RESULT | SCHEME OPTIMIZED**

By optimizing the products as well as the supply chain network used to deliver the products to the jobsites, Planet Fitness saw a reduction in material costs of 22%. Furthermore, Creative Materials worked with Planet Fitness' design team to develop two additional design schemes, ultimately giving franchisees more flexibility to choose how their fitness center looks. This was done while keeping the already reduced costs intact and keeping a lead time of less than a week in place for all 200+ fitness centers that are built annually.

Key benefits to Planet Fitness franchise owners include:

- Consistent pricing
- Lowering the overall build-out cost
- Material lead time of less than one week

Creative Materials optimized Planet Fitness's design scheme and provided an efficient, easy to implement, and cost-effective tile supply program, making the transition to a new tile supplier effortless.

