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Enterprise

# Platoon Fitness looks to capture corporate clients

## Business idea is worked out of boot camp training

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BRYN MAWR — Paul Dumas was initially skeptical about Platoon Fitness.

The company's logo prominently displays a stern military commander, arms akimbo and staring off with a look of displeasure. The company's name is stenciled as if army issued. One of its main marketing tools is a Hummer with the Platoon Fitness motif painted all over it.

"The whole branding and militaristic approach can be a turn off to some people," Dumas said, adding it conjures up a military officer yelling and humiliating trainees to motivate them to do more and better.

Dumas, however, was willing to look beyond all of that. As senior vice president of human resources at VWR Corp., Dumas was exploring ways in which his company could outfit a fitness center at its new Radnor headquarters and find other ways to get employees to exercise regularly. The end game is to have healthier employees who are more productive, get sick less and therefore keep health insurance costs



NATALIE KOSTELNI

Todd Scott in Platoon Fitness' weight room in its Bryn Mawr gym.

down. Such wellness programs are also being used as a tool to retain and attract employees.

Dumas gave Platoon a shot, and it wasn't long before he was a convert.

"I love it," Dumas said. VWR used Platoon to help design its gymnasium and has a Platoon trainer on hand every day.

When Platoon was first conjured up by Todd Scott in 1998, capturing and growing corporate wellness accounts wasn't the goal. Scott and Mike Smaltz started Platoon out of the basement of Scott's house in Rosemont.

"I'll never forget using the princess phone," said Scott, who has three daughters. From the basement, Platoon was formed as a personal training outfit that used a specialized "boot camp" workout system. Scott knew something about boot camp training. He went to Valley Forge Military Academy and completed basic training.

Scott drew on his military background when forming Platoon. Previously, he worked for the family business, Great Scott Radio. Unsatisfied, he sold his favorite motorcycle and bought a ticket to California where he worked as a motivational speaker. He later relocated to Massachusetts to do the same thing before returning to the Philadelphia area to start Platoon.

Platoon is the intersection of Scott's boot camp knowledge and motivational work.

The fitness program concentrates on a military-style circuit of drills that vary with each work out and could include running, push ups, jumping jacks, squats and sit-ups. The system also focused on what a person's goal is for exercising — was it to lose weight, train for a marathon, gain more lean muscle — and also focused on nutrition.

The company employs an inhouse nutritionist and requires instructors to attend so-called continuing education classes given by experts on a range of specialized areas such as orthopedics, nutrition, injuries, ergonomics, and the like.

"The idea is Platoon is a team effort," Scott said. "It's a team focused on the outcome of health. We train the body the way it should perform in your life."

There are no pills, potions or shakes. No monthly contracts or membership fees. There are no rows of treadmills, elliptical, or other equipment commonly found at a gym. It's you, a trainer and in most cases, the great outdoors.

The Platoon bootcamp workout caught on. Platoon moved out of the basement into space over a bicycle store in Bryn Mawr. Instructors conduct sessions outside and in people's homes. It wasn't long before the company needed more space and moved into 8,000 square feet at 899 Penn St. in Bryn Mawr and 4,000 square feet at 716 Walnut St. in Center City. The Bryn Mawr space is gritty and not at all pretty. Those who show up for a workout aren't there to get pampered.

While the company has gained individual devotees, it has branched out into corporate wellness and has been putting proposals together for companies such as VWR.

"It's a huge part of our business," Scott said.

During the past three years, the number of Platoon's corporate clients has doubled and now accounts for 20 percent of its revenue. The potential is vast as companies increasingly focus on the health and wellness of its employees. Companies such as Johnson & Johnson have reported saving \$250 million on health care costs within a decade after incorporating a health and wellness program and Citibank and Bank of America reported saving roughly of \$4.50 on medical expenses per dollar spent in employee wellness, according to the National Council on Strength and Fitness. It's become a general guide that corporate wellness programs return \$6 for every \$1 invested.

While corporate wellness is part of its growth strategy as well as building up its individual client base, so is franchising.

Platoon now employes 43 instructors, who are required to go through intense Platoon training before being hired. It's a long and costly instructor training system that Scott believes sets the company apart, but also believes it will help the company as it looks to take another step to grow by franchising itself. There are instructors who want to own and operate their own Platoon Fitness and if not, there will be people who want to own a franchise who are not personal trainers but will hire Platoon instructors.

It will initially focus on opening franchises in the Philadelphia area and expand from there.

“The key is it has to meet certain price per square footage and terms in lease to make it work,” Scott said.

Back at VWR, Platoon’s work has been measured in multiple ways but one of the most important is health-care costs. Self-insured, VWR spends millions on health care and investing so much in corporate fitness had to be justified. So far, it has worked.

“As a result we have had costs avoidance,” Dumas said. “Instead of seeing medical costs go up double digits, we have been able to hold those well above any national trend number and with those savings we have been reinvesting in our health and wellness program.”

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