

# Value Proposition Merrithew

A one-stop shop for everything Pilates, this firm has played a pivotal role in the growth and development of this popular exercise format

During the past decade, Pilates has become part of the public consciousness. While Lindsay and Moira Merrithew, who created STOTT PILATES, may not have single-handedly popularized the practice, they've done their fair share to make it mainstream in recent years.

[Editor's note: The name of the company was recently changed from STOTT PILATES to Merrithew Health & Fitness, aligning it more closely with the parent company, the Merrithew Health & Fitness Group.] In 1988, the couple opened their first Pilates studio in Toronto, Canada, now home to the corporate offices of the Merrithew Health and Fitness Group. "We felt that Pilates had to be more than an exercise regimen reserved for a privileged few," recalls Lindsay. "Our mission was to demystify the method and make it accessible to a wider audience."

## Parsing Out the Program

As Merrithew Health & Fitness continues to grow, its programming is becoming increasingly specialized. For example, the company recently introduced the STOTT PILATES Rehabilitation Program, specifically designed for licensed physical or occupational therapists, chiropractors, and doctors of sports medicine. The company has drilled down even further with its Specialty Tracks Program, which encompasses workshops for post-rehab patients, athletes, pre/postnatal women, and exercisers of all ages. It also offers equipment catering to each market. —

But, even then, the pair had a larger vision for the company. "At that time, there were few manufacturers of equipment or comprehensive teacher-training centers," notes Moira. "In our view, there was a sound business model

that incorporated supplying state-of-the-art Pilates-based equipment, quality education, and an adaptable business model to health club owners and fitness professionals. That was the basis of our business."

Lindsay, president and CEO, focused on building and diversifying the business, while Moira, executive director of education—who was also certified as an instructor at Joseph Pilates' original studio in New York—began training clients. Over time, and in collaboration with various physical therapists, physiotherapists, and sports-medicine professionals, the Merrithews built their concept into a comprehensive, systematic, contemporary approach to the original teachings.

"A key aspect to the success and growth of our company is the importance we've placed on building and maintaining strong relationships with the people who license our educational programming, purchase our equipment, and replicate our business model," observes Lindsay. "Our goal is to continue to build upon those educational and equipment-based relationships so that, together, we can promote the benefits of more mindful forms of exercise to a wider audience."

The Merrithews' work on both the model and the goal has paid off: Today, there are 55 STOTT PILATES Licensed Training Centers in 23 countries, and three corporately-owned centers, in Toronto, Denver, and New York City.



Lindsay and Moira Merrithew



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# Health & Fitness

While the company doesn't release financials, Lindsay characterizes its consistent growth as follows: "During the past five years alone, the number of students trained in the STOTT PILATES method has grown from 12,730 to 28,025 in 106 countries, an increase of more than 120%. In 2009, Merrithew Health and Fitness exceeded 30% in growth, and the number of students trained over the last year increased by 34%. We're projecting growth of more than 10% for our 2010 fiscal year."

## A comprehensive platform

In keeping with STOTT PILATES' original mission, the company takes a holistic approach, moving beyond training to a program that addresses every aspect of the method's tenets.

With a strong focus on education, the Merrithews have produced a comprehensive catalogue of technical manuals and supporting visual aids, including wall charts and DVDs. The library contains upwards of 120 titles for both professional and retail consumer markets, all of which were primarily designed, produced, and marketed by Lindsay. The DVD collection—with a variety of titles available in multiple languages—covers a broad array of programming for all Pilates levels and interests, from the fundamentals, to sport-tailored and life-stage-oriented titles supporting athletic conditioning, rehabilitation, and pre/postnatal, to general topics for exercisers of all ages and fitness abilities. The documentation of this material continues to make up the main body of work used in STOTT PILATES training and certification courses.

Complementing the training materials is a diverse equipment line. "Education and equipment go hand in hand," says Lindsay. To illustrate his point, the current STOTT PILATES line is composed of nearly 100 individual pieces of large professional-grade units, as well as light



Merrithew Corporation

Students make most of STOTT PILATES Matwork School

accessories. Designed and engineered by Lindsay, the series includes the signature Professional Reformer, V2 Max Plus Reformer, and the new SPX Reformer.

In addition to education and equipment, the Merrithews believe in giving instructors a high level of ongoing support. The STOTT PILATES emPower Program offers certified instructors continuing education and marketing consultation, special discounts on equipment and liability insurance, and more.

## Growth outside the studio

In addition to sound programming and related equipment, "High-end merchandising and displays play a very important role with the overall brand recognition in the marketplace," Lindsay suggests. Like any good brand, STOTT PILATES pushes the promotional and merchandising envelope. In 2009, Merrithew Health and Fitness expanded its online business, signing deals with Sears.com, Target.com, pilatesreformers.com, and adding new items to the lines carried by Costco.com and Costco.ca. —

— Jon Feld, [jfeld@inc.com](mailto:jfeld@inc.com)

## Pro Forma

Year Founded:  
**1988**

2008-2009 sales growth:  
**10%**

2009-2010 sales growth:  
**30%**

Corporate facilities:  
**One each in Toronto, Denver, and New York City**

Number of students trained to date:  
**More than 28,000 in 106 countries** →

STOTT PILATES®