



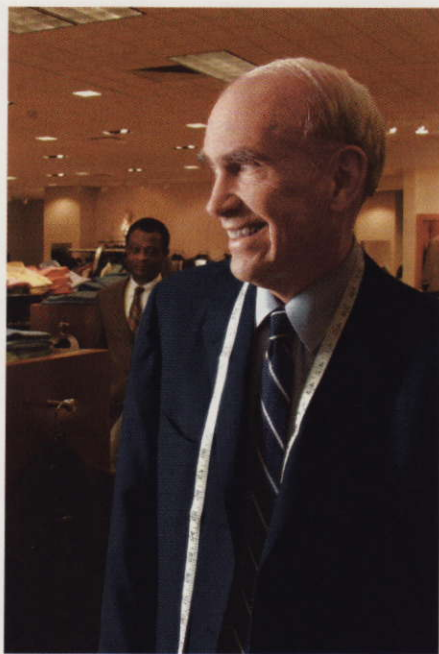
This Man NEEDS A HUG

Retail mogul Jack Mitchell talks about taking the family business from a mom-and-pop shop to a \$65 million mecca of haute couture. (*Hint: It requires everything from business savvy to knowing the name of Paula Zahn's pet fish*)

BY JILL JOHNSON PHOTOGRAPHS BY FRAN COLLIN

JACK MITCHELL IS NOT ONE TO BRAG. But there are times he just can't help it. A few years ago when he was at an apparel industry conference, a keynote speaker asked the audience of CEOs how many of them knew their top 100 customers. "My hand shot up," says Jack, whose enthusiastic arm hovered alone above the heads of America's clothiers. When Jack had his turn at the podium, he stated that he knew his top 1,000 customers. He then shared some illuminating facts about Mitchells, a store in a town with a population of 28,000: two dozen sales associates write at least \$1 million a year in business, six write \$2 million and one writes a whopping \$3 million.

When he returned to his table, the title of his then-unwritten book was born. "One of my tablemates said, 'Oh sure, Jack. The next thing you're going to tell us is that you actually hug your customers.' Without blinking, I replied, 'Sure. Doesn't everyone?'" recounts Jack in his newly published and aptly titled book, *Hug Your Customers*. The dubious interrogator may have pictured a flurry of embraces on the Mitchells' retail floor: a customer and sales rep gushing over a pair of Gucci shoes and lurching into each other's arms to celebrate a Cinderella-snug fit; Jack himself giving out bear hugs for each four-figure song played on the cash register — and he may have said to himself, "Yeah, right. Where is this store? In Mr. Roger's neighborhood?"



chronic ulcers. From day one at the store, customer service was the first priority, not product (the initial inventory included three suits, retailing at \$65 each), and not location (800 square feet at the front of Dickson Plumbing on the Post Road). "We lived in a modest three-bedroom home on Compo Beach at the time," says Jack. "Mom and Dad had always been very involved in the community. Dad helped negotiate for the town to buy Longshore, and he was a deacon at the church. Mom was the den mother of the Cub Scouts. It was natural that they would be warm and friendly in the store. Mom brought the coffee pot from home every day to serve customers coffee. She loved entertaining people." The store did \$50,000 in business in year one.

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I was skeptical myself, even though I had learned Jack was referring to *metaphorical* hugs: the 4,500 hotdogs Mitchells gave out on Saturdays last year (including a handful of "Carole Dogs," turkey dogs specially ordered for Carole, a customer with high cholesterol), the 12,000 bagels and muffins, the cups of coffee and copies of the *New York Times* (with the stores' hefty promo pieces inside) handed out at train stations at the crack of dawn, the last-minute alterations (sometimes on items not even purchased at their stores), the videos kids can watch while their parents are shopping, the personalized letters Jack and his brother Bill sign each day and send out to big-ticket shoppers. All that sounds nice, but would they really give any special care to a plain-Jane customer, someone who is not one of Jack's 500 CEO clients; say, a disheveled thirty-three-year-old in Gap maternity clothes with nary a designer-logo accessory.

I put on the aforementioned disguise one day (in other words, I got dressed) and I trudged into Mitchells to find out. Right outside the entrance I passed a gentleman whose face lit up as though we

were long-lost friends. He smiled through the dreary weather and bellowed, "Hi! How are you today?" The energetic greeting nearly knocked me off my Naturalizer-clad feet, and I mumbled a feeble, "Fine," as I tried to figure out how I knew this guy. As I entered the store, I recalled his face from a press photo. That was Bill Mitchell, the company's vice-chairman — "Mr. Westport" and a "world-class hugger," according to his brother Jack (who resides with his wife, Linda, one town over in Wilton). I grinned. It was my first fuzzy sensation on the road to becoming a believer. Still, as I assessed the sleek suits, designer dresses and shoppers wearing diamonds the size of my big toe, I expected the typical once-over and dismissal that humble attire usually draws from salespeople. When I found more warm welcomes at every turn, I wondered, Have the Mitchells found a way to clone the Cleaver family? Perhaps.

Jack's parents, Ed and Norma Mitchell, opened the store in 1958. Ed, who had done some retail consulting but spent much of his career in marketing and advertising, had grown weary of commuting to the city every day and fighting

Forty-five years later, Mitchells has its own 33,000-square-foot building. Between the Westport store and Richards in Greenwich (which was acquired in 1995), sales have risen to \$65 million and ownership has passed through two generations (Jack and Bill retain their executive positions in the company but their sons — they have seven between them — now own it); but customers still find free coffee and Mitchell family members on the sales floor. On the basement level, modest corporate offices abut the bustling tailor shop — where twenty-four tailors and seamstresses are led by Domenic Condoleo, who has been with the company for forty-three years and sizes up corporate giants like Jack Welch, Andrew Sigler and Barry Levin. "The day he leaves, I'm right behind him," says Bill of the jubilant Italian who has been known to alter a suit within hours if that's what the customer requests.

Jack and I met in a conference room that was cluttered with prizes waiting to be picked up by attendees at a recent charity gala. His blue eyes have the same twinkle as his brother's, but Jack's dance under thick charcoal brows. The

brothers share the same easy smile and lack of flashy style. Like Domenic, a measuring tape hangs casually around Jack's neck, but this one is unique. One side features inches, the other, words like "harmony," "happiness," "contentment," "joy," "ease" and "comfort." These qualities, more than impeccably tailored clothes, are what he wants his associates, customers and family to find at the Mitchells' stores. Today, the athletic sixty-four-year-old wears an olive suit, but some days he doesn't have time to change out of his tennis whites until midday.

"I've heard people say Jack was the best all-around athlete they had ever seen in Westport," says Emil Frankel, assistant secretary for transportation policy at the U.S. Department of Transportation, longtime friend and Weston resident. "He was the high school hero type." The captain of the football, basketball and baseball teams, Jack also was the first student from Staples to go to Europe with the American Field Service. Jack's ensuing wanderlust and an inspirational professor motivated him to choose Chinese civilization and history as a major at Wesleyan (where he and Frankel were roommates). He aspired to be a diplomat to China but says his slight dyslexia hindered his progress in the complex languages. He decided to change course after completing his master's at Berkeley.

"The family business wasn't on my mind at all," says Jack, who got a job as an administrator in a research institute in Connecticut. It wasn't until six years later, in 1969, that his brother and parents persuaded him to come on board. "I really didn't think I was going to like it," says Jack. "But I could see the opportunities ... and I had four sons to feed."

The years ahead brought some growing pains for the second generation in the family business. "Jack and Bill were at odds over many things — contribution, effort, splitting the pie," says David

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— ED MITCHELL

Bork, an outside consultant hired by the family. "We went to Florida for several days, discussed all the sensitive matters and hammered out a resolution," explains Bork.

"Jack is a great leader and partner," comments Bill. "Do we always agree? No. We have very different personalities, but at the end of the day we admire and respect each other. That is the torch we can pass down to our kids."

David Bork's ongoing involvement, an outside advisory board, a family counsel and weekly meetings have been crucial in keeping the lines of communication open among the ever-expanding Mitchell family. The road-map set up for bringing in the third and subsequent generations includes two rules: They have to work somewhere else for five years and a position for which their skills are suited must open up. "One of the joys of my life is how the entire family has come into the store," says founder Ed Mitchell (who is ninety-eight and still shows up to work the retail floor on occasion). Five grandsons have joined the company, and two more are in the wings.

"It has been during the last ten years, when our kids have gotten involved, that we've grown from \$10 million to \$65 million," says Jack. The company invested in technology to maximize the level of customer service, but Jack's son Russell provided sound advice during the dot-com boom, telling his father, "We're a bricks-and-mortar business. We need to keep that focus." Russell and his brother Bob serve as copresidents of the company. Their mother, Linda, also works at Mitchells and has been instrumental in developing the women's department. "Everyone respects everyone else's territory in the business," she says.

Bob Mitchell was eager to show me the renovations taking place in the Westport store. "This is part of our long-term commitment to the community," he explains, while carefully detailing the interior and exterior facelifts that will be complete by Labor Day.

Bob was the first Mitchell to admit he's "into product." With dark-blond curls and green eyes, the dashing thirty-seven-year-old could just as easily be modeling the clothes as talking trends. "The major changes have been the

Always with a smile and good humor, Jack's assistant of seven years, Pamela Miles, helps keep the clothing mogul and his family's \$65 million business on track.

OPPOSITE PAGE: Mitchell family portrait and executive core: Bill (third from left) with his son Scott (far left), Jack and Linda with their sons Todd, Russell, Andrew and Bob.





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casualization of the workplace and the influx of European clothing. Eleven years ago we carried just American lines; now the majority are European," he says. The biggest overhaul in the store is taking place in the women's department, which now accounts for at least 50 percent of sales. "Women don't seem to stop shopping, no matter what's going on," he says, regarding the down economy. He escorted me through the new spacious ladies' dressing rooms and pointed out how more light and soft tones will intermingle in the store. "This is Westport, so we want to maintain a comfortable, homey feel."

When the Mitchells constructed a new store on Greenwich Avenue in Greenwich, to expand Richards to three times the size of the original store across the street, a more sophisticated architectural plan was devised to match that town's vibe. An airy atrium features a palatial staircase; shoppers can ascend to luxurious designer salons and descend like belles of the ball. In 2000, just after the ribbon was cut, Richards earned the Retail Design Awards "Store of the Year" title. Frank Gallogi has worked at Richards for more than thirty years and says, despite trepidation when the acquisition first took place, "It was actually

one of the greatest things that ever happened in my life." He explains: "They asked if there was anything we'd like in the store. We said, 'A shoe department would be nice.' Next thing we knew, we had a shoe department." The top salesman adds, "The stores shared the same customer-oriented philosophy, but the Mitchells brought in the state-of-the-art technology — the tools we needed to really know our customers."

What Frank is referring to is a computer system that is key to acting on the "hugging mindset." Associates keep profiles of customers, detailing everything from their kids' names to what they've

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purchased at the store — information that's meant to personalize and streamline the shopping experience, never to be shared with or sold to list buyers.

Recently, when CNN news anchor Paula Zahn was in Mitchells shopping, she flipped through Jack's book. She read the blurbs on what constitutes a "hug" and noticed one is "remembering the name of your customer's dog." She waved a finger at him and warned, "We don't have dogs, but if you ever get on my show, I'm going to quiz you. We have fish, and the head fish in the tank is called Ned Snorkelfish." Jack says he promptly scribbled down this nugget of information and passed it onto his assistant, Pamela Miles, to enter in Paula's profile. "That same night I ran into her husband and one of her sons in the parking lot," recounts Jack. "So I asked her son, 'How's Ned Snorkelfish?'" Jack lets out a booming laugh, "Whoa, he couldn't believe it!"

More important than checking up on family pets, associates can analyze customers' buying histories and make suggestions of what they might need or want. Westport resident Bobbie Friedman always shops at Mitchells and has developed a close friendship with top salesperson Phyllis Bershaw: "I've shopped here for thirteen years, and she remembers everything I've bought." Phyllis says the Mitchells give associates "carte blanche" when it comes to going the extra mile: taking customers to lunch, sending birthday gifts or flowers, delivering merchandise to their homes. "You can have the best service philosophy in the world, but if you don't have great players to execute it, you've lost the game," says Jack.

Phyllis was part of the silver lining in the last recession, a time that taught the Mitchells some lessons. "We really had to buckle down in the early nineties," says Jack. "Sales decreased, receivables lagged, we owed the bank. We hired Russell to deal with finances and Bob to handle merchandising. Bill and I reduced our salaries. I started signing every check. We learned to be prudent and save for a rainy day, so now we're doing just fine." Jack prefers to fly coach and Bill likes eating a sandwich

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for lunch, downstairs with his employees. "We do deliveries, we have a customer emergency line that forwards directly to our homes when the stores are closed, and we still have a lot of fun," says Bill (who gave me his card, urging me to call if I needed, say, "a reference on a good lawn service or an anesthesiologist at Norwalk Hospital in the middle of the night").

The company continues to contribute to a number of charities, including Near and Far Aid (a recent fashion show at Mitchells raised \$450,000) and the Inner City Foundation. Cancer Care recently honored both Jack and Bill. The Mitchells buy into the belief that what goes around comes around, and what has come around to them is a windfall of big business. Jack is well aware of how Westport has grown. "Wonderful corporations have moved out here. It wouldn't have happened if we were in Boise, Idaho," he says of the stores' impressive growth.

When Jack wants to get away from it all, he joins friends for river rafting in Colorado or camping in Alaska, or he and his family (including the seven grandchildren) head out to their hide-away on Block Island. "There's no TV. It's the antithesis of the affluence here. It reminds me of the old days in Westport." He also enjoys skiing, the occasional round of golf, and morning walks with his wife of forty-two years.

"Linda and Jack are role models to their children and to everyone they do business with," says Paulette Garafalo, president of Hickey Freeman, who has been a Mitchells vendor for twenty-two years. "It's a terribly painful time to be in the retail business, but they still stand up shining." Jack's Wesleyan roommate worked in the store as a gift wrapper during Christmas breaks over four decades ago, and as a current customer he notes how "the family has preserved the same culture as the store has grown. They are tremendously committed to the business and to family. It's no accident that the Mitchells have raised extraordinary young men and that Mitchells is really Westport's town green." W

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