



Because his family business makes an art of customer service

**JACK MITCHELL**

**Company:**  
Mitchells/Richards  
**Location:**  
Westport, Conn.  
**Industry:**  
Apparel retailer

JACK MITCHELL STARTS his morning at 5 o'clock with a cup of coffee and the previous day's sales report. The clothing retailer lives for data. His company's custom-made software tracks what customers buy, as well as their golf handicaps, where they work, and whether they root for the Yankees or the Red Sox. "The technology," he says, "has helped us grow the business by getting closer to the customer."

Providing stitch-perfect service is exactly what Mitchell's dad, Ed, had in mind when he founded the business with his wife, Norma, back in 1958. He died last year, at 98, having passed ownership to his sons, Jack and Bill, in the early 1970s. They have since begun distributing stock to their seven children. Despite the changing of the guard—and the fact that annual sales have grown to \$65 million—the company's reputation for superior service remains unblemished.

This hasn't happened by luck. CEO Jack and vice chairman Bill decided that their offspring could not join the company until they'd worked outside for five years. To be sure everyone stays on message, the family meets once a week. As for Jack, 66, he's preaching the Mitchells/Richards gospel to others via his book, *Hug Your Customers* (Hyperion, 2003)—and darting around the stores, taking care of customers. —D.F.

# For saying 16 jobs, including his own

**TONY LEE**

**Company:**  
Ring Masters  
**Location:**  
Massillon, Ohio  
**Industry:**  
Steel-ring manufacturer

STARK COUNTY, OHIO, lives up to its name, particularly in a town called Massillon; once a busy industrial hub, it's now pockmarked with empty factories and unmowed lawns. But there are signs of hope: a renovated 17,000-seat stadium for the high school football team, 22-time state champs, and a 180,000-square-foot factory that's still in business, thanks to a 36-year-old former janitor named Tony Lee.

Lee joined the Army straight out of high school and served in the Gulf War. He dreamed of owning a business. When he returned to Ohio, though, he and his girlfriend had a baby, and he needed a paycheck. He worked at a steel manufacturer, and then cleaned a meat plant until he heard, in 1993, that a factory in Massillon was hiring. For \$10 an hour, Lee cleaned bathrooms, swept floors, and waited for a job on the line to open up. Since he couldn't afford college, he spent nights at the library, studying accounting and reading biographies of Warren Buffett, Jack Welch, and Russell Simmons.

A year later, his bid to run a machine in the ring division went through. He learned how to operate all the machines, asked his supervisor about handling customer complaints and buying raw materials, and studied the way machines were scheduled. In 1997, he was bumped up to supervisor.

Then a New York City private equity firm bought the factory. Just before Christmas 2002, the new owners announced that the factory would close. "At first, I didn't believe it because the closing was rumored for years," says John Rohr, 57, who has worked at the plant since his first week out of high school. "But I was very concerned, with my age. The industry base in Stark County is bad." When the fastener and clamp units were shut down and the equipment was removed on flatbed trucks, Lee began assembling a buyout proposal for the ring division. As news of Lee's plan spread, his co-workers looked at this high school grad, who wiped the oil from his hands with the same red rags as the rest of them, and figured the New York guys would never pay attention to him. But Lee called the mayor, a law professor, and a local economic development nonprofit; with their help, he wrote a business plan, researched competitors, and arranged to meet local investors. "Tony knew the product, knew the customer, and had a tremendous amount of loyalty from the employees," says Randall Hunt, an attorney who agreed to back him. "I was impressed."

Lee sold his beloved Yamaha motorcycle and took a second mortgage on his house to raise \$50,000 for a 12% stake. Last August, with a \$75,000 low-interest loan and a 10-year tax abatement from the town, Lee, Hunt, and five other investors offered to buy the ring division for just over \$1 million.

Two months later, the New York firm sold the plant to Lee's group, which named the new company Ring Masters. Lee cut pay by 5% and asked employees to handle extra tasks. They also disbanded their union, perhaps in part because he continued to work alongside them on the floor. Every day, the smell of steel and oil fills the building and the machines burp out 200,000 steel rings. Wearing earplugs, safety glasses, and an improbably spotless white polo shirt, Lee steps between rolls of wire, fiddles with machines, then heads to his office to handle a client call. Sales are up 13% from 2003, to \$3 million; Lee wants to double revenue within five years. Ring Masters' head count is up from 16 to 22. The factory may be surrounded by puddles and gravel, but it surely ranks as one of the brightest spots in Stark County. —S.C.