America's Most Senior CIO

RIS News
TOP 50
#23: Burlington Coat Factory

Mike Prince has broken or rewritten every rule

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THE VETERAN CIO IN CORporate America has become something of an oxymoron. CIOs have been described as the Fortune 1000's best paid temp workers. In an area where longevity is too often measured in months or, at best, a handful of years, consistency and seniority are often set aside. Nowhere is this more true than with companies with revenues of more than a billion dollars, especially in retail.

So how does one explain Mike Prince, a man who has been CIO for The Burlington Coat Factory for more than 23 years? What does Burlington — which today brings in almost $3 billion in revenue, has 315 stores in 42 states and has more than 23,000 people on the payroll — know that other major retailers don't?

Not at all coincidentally, Burlington itself is an unusual large retailer. The folksy clothing giant is hardly where one would expect to find cutting-edge technology, but repeatedly over the last 20 years, Burlington has been way ahead of the IT curve. It was one of the first companies of any kind to embrace Unix, **Oracle** (www.oracle.com), the Web, e-mail, TCP/IP, symmetrical multi-processing and — most recently — Linux. And for a company that seems to take so many technology risks, the list of technology disasters that Burlington has been involved with is almost nil.

How ahead of the curve? Prince's team was using e-mail in the 70s, it registered www.coat.com in '95 and

Executive Summary & ROI

Mike Prince is retail's longest-running CIO. His vision and success with technology has made him a legend in the industry. *RIS News* has had the great pleasure over the past few weeks to speak with Prince and his associates about his extraordinary career, his visionary tech philosophy … and what's next.

Burlington is the oldest customer of any Oracle application.

"Mike is a CIO. He's a technologist. But he's also a businessman and he's a businessman first," says Casey Powell, the founder and longtime chairman of **Sequent Computer** who today runs a technology company called **NextGig**. "Michael's very smart and he's very confident. And he's very confident because he's very smart."

Burlington was a large customer of Powell's at Sequent's height and he learned a great deal about Burlington's management during those years, especially Prince's two bosses: Burlington's COO Mark Nesci and founder/chairman Monroe Milstein. "You know why he's the longest standing CIO in the business today? Because they're scared what will happen if they let him go."

Associates of Prince's point to an unusually detailed approach to technology, along with a good gut feeling for which technologies will truly deliver financial benefits. But it's his attention to tiny details that makes him unique.

On a new series of servers sent for inspection, Powell recalled, the CIO discovered that a small anti-static strap that had been on the first machine was missing from the second. Powell asks, "How many CIOs for billion-dollar retailers would have gotten into the machine enough to notice that, let alone care?"

Ginger Atwater, director of e-business at Burlington, attributes Prince's fortunate run of good strategic choices to his willingness to look at new

technology, even against the counsel of staff managers. Some of that credit, she said, must also extend to Burlington's CEO and founder who permitted Prince to do it.

"More than anybody I've ever encountered, Michael is willing to look at new stuff. He starts by being willing to look at the technology for technology's sake, but as he gets further into it, he figures how big the risks really are. He isn't letting his mind get boxed in from the beginning." Meanwhile, Atwater recalls, she was often being driven crazy. "I was ripping my hair out, pleading with Michael, 'We don't have time for this!' But he'd be right."

Another frequent refrain from Prince associates is his passion for technology. Atwater describes a typical Prince performance after a major tradeshow: "He's just come back from Oracle OpenWorld. And he'll go through the halls describing the most exciting technology he saw demo'd. And then he'll say, 'This is so cool that I have to tell one more person!' I'll hear him convey the same thing, over and over."
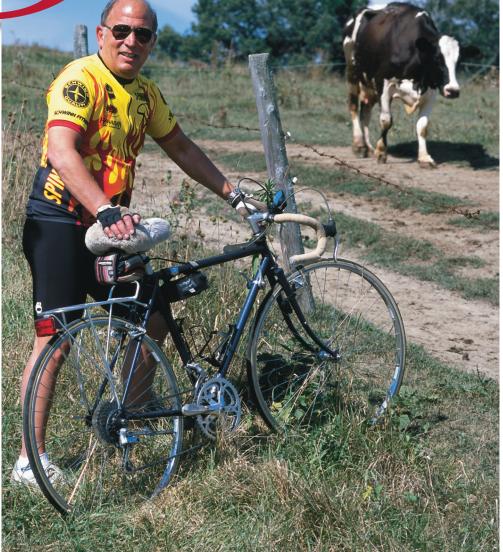
Asked if he was evangelizing the technology, trying to talk people into

supporting it, Atwater says that is rarely Prince's intent. "It is not conscious at all. It's just who he is. 'You gotta hear this. It's so cool!' He has a strong need to share that." And his passion then becomes infectious.

But in the same way that it's unlikely Prince could have delivered so much without the CEO and founder's support, Atwater adds that the technology wouldn't happen if it were not for a strong technology team. Like so much at Burlington, the tech staff is not standard. "We don't pay top dollars, but we offer the top technical environment. If what really floats your boat is working with cool, new stuff, you'd fit in here."

Atwater says that Prince is not the only Burlington IT employee who has beaten the longevity odds. She puts the industry's average tenure for an IT employee at 1.8 years, but the average at Burlington is more than ten years. "Our turnover rate is unbelievably low," she says. "I've been here 19 years."

Prince has never been a stranger to publicity, although for an executive who seems to like media coverage so much, he is unusually modest. He plays down the risk elements of his

By Evan Schuman, Contributing Editor

best-known, cutting-edge decisions.

"Yes, we have recognized quality early on, but none of the major initiatives that we did, none of the ones that were viewed as groundbreaking really had much risk," he says. "It was better technology that was much more affordable. And we thoroughly tested everything along the way." The most he would say is that "perhaps we had our antenna up better than others."

He cites Burlington's recent aggressive move into Linux as an example. "There's a reality to operating systems that, until you get to the very large-scale servers, they really don't need much support. Bugs just don't crop up in a mature operating system in the middle of the night," Prince says. "We knew that our environment didn't demand high support. Given our own ability to ask and interpret and execute the fix — which any good Unix shop could do — that obviated the question of lack of availability of support from a major vendor. It hasn't proven to be a problem. And don't forget that we weren't spending a penny on the operating system. Although there was a need to deploy new computers in the stores, we were buying industry standard PCs. If we had changed our mind about Linux, we wouldn't have been locked into a hardware investment. There was an out, even if there was a bad experience down the road."

Prince adds that the early successes helped fuel momentum and generate support for later risks, which is a luxury that short-term CIOs can rarely have. "Very few companies have had a stable IT management and there's something to be said for that. I can take my time and put something in place that is visionary and that represents sound architecture. My history lets me take a longer-term view," Prince says. "The confidence to do something forward-looking is easier the second time than the first time. Success in one area has removed barriers. People listen because we've had success in the past."

For technology vendors looking to pitch to Prince, he suggests using technologists. "I don't have much patience for sales people who are trying to pitch a technical product and who don't understand it. If you get in front of a group of people, you better lead with people who can really articulate what you're doing or you're wasting everybody's time."

The 61-year-old veteran CIO says his retirement is at least several years away, given that he is very happy, productive and in good health. "I'm very healthy and in great shape. I just did a 100-mile bike ride," he says. In recent years, he has been taking more vacation time — an average of 10 weeks a year — and as long as that continues, he intends to stay as long as he feels effective.

What advice does Prince have for his retail counterparts? "In any IT shop, there are people — usually young people — who are very in touch with all the new trends as they emerge. They don't tend to be in management positions. A lot of times, they are fairly fresh out of college. Often, people who never went to college are some of the best people doing this stuff," he says. "These people know. Listen to them. Obviously, you have to be critical. But listen to them and challenge them and you will learn a lot."

Ahead Of The Times ... BCF's "risky" technology successes

- E-Mail
- The Web
- First Oracle Application Customer
- Unix
- TCP/IP
- SMP
- Linux