



Chuck Davis: Serial Success Story

From Shopzilla to Swagbucks, Chuck Davis has made a career out of taking companies to the next level

By Kirk Hawkins | January 6, 2016

Chuck Davis has the exuberance of a kid in a candy store as he guides a tour of Prodege, LLC's El Segundo headquarters, on a sunny November morning. Judging by the 55-year-old CEO's enthusiasm as he floats through the spacious offices, you'd think he had conceived and built the company from the ground up. Truth is, Davis arrived in 2013, eight years after Josef Gorowitz founded the company, helping to instill the structure and further the values that have catapulted Prodege's flagship property, Swagbucks.com, the country's largest online rewards platform, to the higher rungs of e-commerce success.

He's also made it a pretty cool place to work. But more on that later.

Giving back is an amalgamation of mantra and philosophy for Davis, and with just cause. At the tender age of 13, the Westport, Conn. native's enterprising moxie was rewarded by Pete Rozelle, commissioner of the National Football League. As Davis has been wont to do throughout his career, he capitalized on an opportunity and aimed high. Davis' father, a magazine publisher, allowed his son to use the facilities to print his sports fanzine broadsheet, The Pro Grid Weekly. Davis sent it to all of his family members and friends, of course. But he didn't stop there. The publication also found its way to the offices of the commissioners of the four major professional sports. All responded with the cordial gesture of thank-you notes, but it was Rozelle who went a big step further. Not only did he invite the fledgling journalist to his offices for a sit-down interview, he became a mentor. Davis was invited to the NFL draft for the next 10 years as the commissioner's guest and eventually interned at the NFL during his college years at Brown University.

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The Later Early Years

During high school, Davis was immersed in media, leading an FM radio station's seven-man sports staff, hosting a talk show, and editing the sports section of the school newspaper. Concurrently, he was writing for the local newspaper. As he progressed, his journalism experience evolved to higher-profile radio stations, newspapers, and, eventually, the Associated Press.

While the peers who shared his ambition were focusing on what they were learning in the classroom, Davis found he was most passionate about his extracurricular activities. "My journalism experiences were really my main curriculum in life," he recalls. "The extracurricular were my academics."

It seemed fitting that right out of school, he would end up at Time, Inc. However, despite that incredible resume, hiring managers at Time, Inc. saw something else in the wunderkind. They put him in charge of the insert cards in Life magazine, a position at which Davis felt he could maximize his marketing instincts, as he felt his writing abilities would only earn him a certain level of success. "I could write a good AP story but I couldn't write a good feature story," Davis says. His prescience would be rewarded.



That job led to Sports Illustrated and, later, TV Guide. And then the new media frontier of the Internet opened up. As fate would have it, Disney came calling. So, Davis headed west to the

Los Angeles area to become president of e-commerce for The Walt Disney Company, launching and leading eight groups including DisneyStore.com. It was virgin territory and a new challenge for Davis. With the support of his new bosses, he maintained a quiet confidence. He recalls a venture capitalist trying to recruit him at the time saying, “A guy who can get 14 million people to read a magazine [TV Guide] no one needs anymore probably would be a good proxy for getting eyeballs to our website.” Amidst the anxiety associated with the new frontier of the World Wide Web in the late 1990s, Davis says The Walt Disney Company’s then-President Michael Ovitz assured him, “Who knows if this Internet thing is a fad or not? If it’s a fad, we’ll find you another role in Disney.”

Davis would learn that he really had nothing to fear about e-commerce. The job at Disney led to his role as CEO of BizRate, later rebranded Shopzilla as it grew to be the largest comparison shopping site. At the same time—and in the same building—another e-commerce company, movie-ticket seller Fandango, needed an experienced e-commerce leader at the helm. Not content to rest on his laurels after selling Shopzilla to E.W. Scripps Co. for \$525M in 2005, Davis took a calculated risk and continued on his career trajectory as chairman and CEO of Fandango, which was successfully sold to Comcast the following year. “There were times when I had to forecast what things would look like and if my guess was wrong I wouldn’t be giving this interview right now,” Davis says.

The Middle Reliever

Over the years, Davis developed a reputation as a “middle reliever,” which he describes as the company leader who is sandwiched between the founder and the large-company CEO after the startup is acquired. It is a job at which Davis has become very skilled. “I look at myself as someone who rents my job as CEO at the request of the board,” Davis says. “I like this job and being a little below the radar. With each case of a below-the-radar company, my job is to get it above the radar by the time I’ve accomplished what I came here to do.”

At each of these companies, Davis has developed a formula that he says plays out over a period of about five years. It includes refining responsibilities for existing employees and adding new people when needed. “The best companies win because there is respect for those who are early-stage people and there is respect for those who come later and know what the best practices are to get to the finish line.”

While the focus on employees and talent continues, Davis experiments, probes, and tests for what works, weighing the businesses’ assets like a portfolio. After assessing the results, he makes changes. Once that part of the formula is complete, he says he hits the road to attend conferences and speaking engagements in search of a “happy ending” for the company’s stakeholders.



Davis' leadership spills over onto the soccer pitch where he coaches his son and daughter

Coach Chuck

While he may be known as an executive to his associates, Davis' title around Pacific Palisades, Calif., for the local chapter of the American Youth Soccer Organization (AYSO) is simply "Coach Chuck." Having coached nearly 600 games in the course of 10 years for his two children, Davis' leadership skills have been further refined. "I learned how to motivate troops, get them in the right place," he says. "There's a great deal of satisfaction in performing as a coach."

Davis is particularly proud of one success story: Turning around a boys' team with a 5-42 record to a season with 61 wins and 1 loss just three years later.

Davis' responsibilities on the field as a coach parallel his responsibilities at e-commerce companies. "In both cases it's about organizing chaos," Davis says. "You've got to get the right people in the right positions. It doesn't matter if it's in a company or on the field."

There's a reason Davis uses so many sports metaphors. He applies what he learns on the field to the organizations he leads. One coaching trick – switching defenders with forwards in soccer games to get them to achieve better results – is also a way he has tried to make his employees in e-commerce more efficient. Switching product and marketing people, for example, is one way he attempted to spur performance. The unconventional cross-training approach inspires teamwork, empathy, and progress. "Maybe you would have some perspective of what it's like in another role," he says of the spontaneous job swaps. "Instead of criticizing [coworkers], maybe it helps you see what you could do [to help]," Davis says.

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Venturing Further

In addition to his role at Prodege, Davis is a venture partner with Technology Crossover Ventures (TCV), which invested in both Fandango and Swagbucks. His primary role at TCV is to evaluate late-stage Internet investments. On his first day in 2011, he approached Gorowitz, president and founder of Prodege. Davis recalls offering advice as the two were waiting in the lobby of TCV’s Northern California offices. “Just like Pete Rozelle,” who jumpstarted Davis’ career so many years ago, “I give back. I’m happy to share.” One month later, Gorowitz and Davis had lunch and the young entrepreneur continued to pick his brain. Several lunch meetings later, the mentorship had evolved to the point that Davis’ role became more official: chairman and CEO of Prodege, LLC, which counts Swagbucks, SodaHead, nCrave, and ProdegeMR as its subsidiary brands.



Davis with Prodege Founder Josef Gorowitz (Photo: Lenny Rabin)

Looking back, Gorowitz says, “It felt like the right thing. I need[ed] a partner to go to the next level and build up a team. It took time for us to build up mutual trust, but we liked how we complemented each other.” As Davis’ tutelage took hold, Gorowitz was honored at the Ernst & Young 2014 Entrepreneur of the Year Awards, as Davis himself had been recognized with the same award nine years earlier. Gorowitz originally launched Prodege as a way for charities to raise money through private search engines. Since then, the business evolved into a leading online rewards program. Swagbucks has awarded its users more than \$100 million in gift cards at major retailers in exchange for online activities such as playing games, watching videos, and completing surveys.

As the ambitious founder working alongside the seasoned CEO, Gorowitz says Davis brought validation to his company, as well as fresh ideas and fresh perspectives to help the company accelerate its growth. “It takes two to tango and it takes both of us doing a good job. I’m trying my hardest to give him his space and I really respect what he brings to the table. It’s super unique. Entrepreneurs shouldn’t be scared. It takes a little compromise at times, but two together can accomplish more together. Overall we’re in a really good place. We’re excited to see how far we can take the company together.”

Davis and Gorowitz believe in a relaxed corporate culture, which includes a leisurely yet orderly workspace with an inviting, open floorplan and creative areas to relax. Their philosophy is if you want people to enjoy coming to work, you need to make it an enticing environment. The well-stocked kitchen caters to snack-craving appetites and special lunches are brought in three days a week.

“It just worked out that this company gives back, and I believe in giving back and I believe – like all consumers do – in getting a good deal,” says Davis. His contagious enthusiasm is also present in his role as an entrepreneur in residence at Harvard University, and the dozens of friendships he maintains around the world after serving as the international chairman of the Young President’s Organization, a global network of young chief executives with approximately 22,000 members in more than 125 countries.

Over the years, Davis has watched accelerating change as Internet speeds pick up, online buying trends evolve, and mobile devices proliferate. But there’s one thing that will never change at Swagbucks headquarters in El Segundo: the focus on keeping both employees and customers happy. “That’s fundamental to our culture here. We make sure our employees feel valued with free meals and snacks and all sorts of other perks, and our customers are rewarded with more and more free gift cards.”

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