Case of the Week: Former CEO of Abercrombie & Fitch indicted on sex trafficking charges

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Case of the Week: The former CEO of Abercrombie & Fitch Co., Mike Jefferies has been indicted on 16 federal counts of sex trafficking and international prostitution in New York. Although he was no longer the CEO for Abercrombie & Fitch Co., his name is still tied with the brand, thus bringing negative light towards the company. https://amp.cnn.com/cnn/2024/10/22/business/abercrombie-ceo-mike-jeffries-arrested-sex-trafficking

Current News Event: Former CEO of Abercrombie & Fitch Co., Mike Jefferies was alleged to have engaged in a sex trafficking scheme with two other men, Matthew Smith and James Jacobson (Anderson 2024). The three men exploited their victims, many of whom hoped to become a model for the Abercrombie & Fitch brand, "by using the so-called casting couch system" (Anderson 2024). It is said that they used the overall power of the brand to coerce dozens of men to participate in "sex events" across the U.S. and overseas (Anderson 2024). This crime was said to have started approximately in December 2008 and continued till March 2015, despite Jefferies to have stepped down as CEO of Abercrombie & Fitch in December 2014 (Gingras et al. 2024). The accusations against Jefferies were made to the public in October 2023 and the case has resurfaced back to the media after a court trial that happened last week (Gingras et al. 2024). Jefferies has pleaded not guilty and the judge has granted him a $10 million bond package where he would be able to live in "home confinement, electronic monitoring, and not being able to contact his co-defendants, witnesses, or alleged victims" (Anderson 2024). This has

caused Abercrombie & Fitch to be associated with the case and the negative attention that was brought upon the company. The company has made a statement saying, "As we shared when the accusations were first made public in October 2023, we are appalled and disgusted by the alleged behavior of Mr. Jeffries, whose employment with Abercrombie & Fitch Co. ended nearly ten years ago. For close to a decade, we have successfully transformed our brands and culture into the values-driven organization we are today. We have zero tolerance for abuse, harassment or discrimination of any kind, and are committed to fully cooperating with law enforcement as the legal process continues" (Gingras et al. 2024).The company has also said that they will cooperate with any further investigation that is needed since the scheme happened while Jefferies was part of the company (Gingras et al. 2024).

Point of View: I will be analyzing this situation from the perspective of Abercrombie & Fitch and how a lot of news is related to the former CEO's crimes, thus bringing negative light onto the brand itself.

Analysis:

1. After Jefferies' departure, Abercrombie & Fitch has done a new rebranding where they no longer focused on exclusivity, but rather inclusivity. In the past, the former CEO has stated, "We go after the attractive all-American kid with a great attitude and a lot of friends. A lot of people don't belong [in our clothes], and they can't belong. Good-looking people attract other good-looking people, and we want to market to cool, good-looking people. We don't market to anyone other than that" (Denizet-Lewis 2006). After his departure, the brand immediately rebranded itself to where anyone can wear its clothing by not using sexualized marketing and catering more to an older audience rather than teens (PYMNTS 2016). Since then, the company has continued to maintain this new branding by constantly pushing for more clothes that fit for numerous body types and cater to ethnically diverse individuals. This allows more brands to consumer trust and transparency, furthering the brands strive to stray away from its exclusive branding.

2. With the negative light shining slightly on Abercrombie & Fitch due to the case, the company has tried to reiterate that Jefferies has been disassociated with the company since his departure from the company in 2015. On their Instagram page, they had made a post stating, "As we shared when the accusations were first made public in October 2023, we are appalled and disgusted by the alleged behavior of Mr. Jeffries, whose employment with Abercrombie & Fitch Co. ended nearly ten years ago. For close to a decade, we have successfully transformed our brands and culture into the values-driven organization we are today. We have zero tolerance for abuse, harassment or discrimination of any kind, and are committed to fully cooperating with law enforcement as the legal process continues." This statement has been their only statement that has been released by the brand, thus showing that the brand is doing its best to disassociate with the former CEO. The statement also allows Abercrombie & Fitch's stance to be more prominent and organized rather than having numerous statements about the case that could cause disarray.
3. When the brand Abercrombie & Fitch is searched up on Google, the brand's online store first pops up, but following after it is the news regarding the case. Besides the statement posted on the brand's Instagram case, the company's attorney has declined ABC's news request for a comment and has said nothing else regarding the case and its ties to Abercrombie & Fitch. I think giving no further comment about the case allows the company to be disassociated more with the former CEO and the case. If they were to comment about the case, it could lead the company to have more light on it when there's already tons of negative views surrounding it. Stating another comment could add more fuel to the fire, therefore I think it's good that the company is making no more public comments and just help with the law instead.

Class Discussion:

1. Should Abercrombie & Fitch stick to only one statement or should the company continue to make statements about its stance on the case and Mark Jefferies? Why or why not?

2. What could Abercrombie & Fitch do to distance the company from the case? Should the company do anything at all?
3. What steps can Abercrombie & Fitch take in the near future to effectively communicate their commitment to inclusivity and diversity?

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