

## **Subway Officially Cuts Ties With Jared**

Maureen	August 18
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Subway has appeared to officially sever its ties to longtime spokesman Jared Fogle after news reports surfaced that he was going to plead guilty to possession of child pornography charges on Wednesday.

Said the company on Twitter:

Earlier on Tuesday, a local Fox affiliate reported that, according to sources, Mr. Fogle was going accept a plea deal on Wednesday, but not much more detail was available.

Mr. Fogle initially had his relationship suspended by Subway in early July after federal authorities raided his home. At the time, the federal agents did not specify why they investigated Mr. Fogle's residence, but it came less than two months after Russell Taylor, executive director of the Fogle Foundation, a group that is dedicated to helping teach kids healthy lifestyle habits, was arrested on child pornography charges. Following those charges, Subway and Mr. Fogle said they had severed all ties with Mr. Taylor.

## **ADVERTISING**

After the federal raid, Subway distanced itself by saying that it had "suspended" its relationship with Jared, but that language left some wiggle room for the brand to reinstate it. The company also removed its Jared references from its website, including what became an unfortunately named game on its kids' site called Jared's Pants Dance.

Whether any of this will affect Subway's business of course remains to be seen, but it's possible it won't impact it much. "I don't think it will materially impact Subway -- they already distanced themselves from him," said marketing consultant Denise Lee Yohn in an email. "Given the media's short news cycles and people's short attention spans, most people have already moved on." She noted that in the weeks after news about Jared's home first being investigated surfaced, "there really wasn't much mainstream mention on him," illustrating that though the news was initially shocking, the public moves on quickly.

"Meanwhile, Subway has been promoting its new-ish mobile app -- likely an effort to draw attention to more positive news, and I'm sure we'll see more diversionary tactics in the weeks to come," said Ms. Lee Yohn.

Even without the Jared situation, tumult is afoot in the company's marketing department. Longtime Chief Marketing Officer Tony Pace departed the company this summer. Ad Age reported the day after the departure news that the company was reviewing its creative account, and that it had brought in marketer Chris Carroll, who, according to people familiar with the matter, is likely to be named the new CMO, though Subway has not confirmed that.

The chain last year had its first sales decline in years: 3%, according to Technomic estimates. Store count was up almost 3% in the U.S. in 2014, though, to 27,205.

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