

Under Armour: Long Stemming Issues Rise to the Surface

By Peter Gutman, J.D. Candidate 2021 | November 9, 2018

Under Armour (UA) has come under attack due to a recent report alleging a hostile work environment for women. The report, conducted through dozens of interviews with current and former employees, exposed UA officials for charging strip club visits and gambling excursions onto company credit cards. Further, the report found many women felt [demeaned in the workplace](#). In response to the report, UA emailed employees in February to advise them that UA would no longer reimburse adult entertainment or gambling. However, there was [no mention](#) that they were not allowed to attend such events with perspective clients.

This is not the first time that the company has been under public scrutiny. Just last year, UA CEO, Kevin Plank, notoriously joined President Trump's American Manufacturing Council (AMC) and stated that Trump was "[a real asset for the country](#)." Plank's open support of Trump caused a backlash on social media, as many consumers felt UA had become aligned with the same xenophobic, racist, and fear mongering rhetoric that helped propel Trump to the Presidency. While Plank quickly tried to [distance himself](#) from the political Pandora's box which he had opened, he refused to name Trump when Plank denounced of the Charlottesville White Supremacy rally. Though, Plank later dropped out of the AMC without comment. Many saw Plank's actions as particularly egregious considering he only changed his tune after strong public outcry. This public pushback included a biting tweet from UA's own most profitable athlete, Stephen Curry, and an online boycott.

While UA claims that the company culture has begun its overhaul already, it seems as though much more is needed and the damage has already been done. Analysts are predicting that the company will face long term negative effects as the report was just one [among other practices which women found demeaning](#). As the #MeToo movement continues to swell across the country, and consumers become more aware of the political leanings of the manufacturers of their favorite products, UA may face an increased backlash compared to what it may have experienced in years past. Further, a major company's stance regarding hotly debated topics amongst consumers can pay major dividends, as seen with NIKE's stock increase post Kaepernick gamble. It remains to be seen what will happen to companies, like UA, that make a major mistake.

