

# Trekking the Doping Terrain: The Lance Armstrong Saga

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## MANAGEMENT DECISIONS

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The authors prepared this case solely as a basis for class discussion and not as an endorsement, a source of primary data, or an illustration of effective or ineffective management. Although based on real events and despite occasional references to actual companies, this case is fictitious and any resemblance to actual persons or entities is coincidental.

The class was posed a managerial question: *You are the brand manager at Trek and you are writing a brand book. How will you navigate the Lance Armstrong and doping scandal as it pertains to your brand legacy?*

Here's the timeline that followed.

## **June 2012, USADA Investigation**

In this investigation, it was concluded that Lance Armstrong would be banned for a lifetime in competing in cycling competitions, and all his illustrious medals and honors would be stripped henceforth. This disqualification shocked the world, as Armstrong was a numerously-decorated athlete in the cycling sport. (Usada, 2012)

## **October 2012: Trek parts ways with Armstrong**

In October 2012, Trek parted ways with Lance Armstrong following a similar management decision that another sponsor of his, Nike, had conducted earlier. The following statement was released ultimately shedding light on the situation:

*"Trek is disappointed by the findings and conclusions in the USADA report regarding Lance Armstrong. Given the determinations of the report, Trek today is terminating our long term relationship with Lance Armstrong. Trek will continue to support the Livestrong Foundation and its efforts to combat cancer" (Delaney, 2012).*

## **18 January 2013: Oprah Talks to Lance Armstrong**

On 18 January 2013, Lance Armstrong admitted to using performance-enhancing drugs when competing in the Tour de France championships from 1999 to 2005 in an interview with Oprah Winfrey. Armstrong, a former professional cyclist, and seven-time winner of the Tour de France, confessed that he had been using banned substances such as erythropoietin (EPO), testosterone, cortisone, and growth hormone during the cycling competitions. Moreover, he also admitted to using blood transfusions in order to enhance his cycling performance and that he had been essentially heading up a professional and sophisticated doping scheme among fellow athletes in the sport. (BBC, 2013).

## **2013: Trek re-invents their brand identity**

The brand core had been developed and honed while the slogan "Bigger than the Barn" became an extension of the company's higher purpose. A more customer-centric focus was created through storytelling. Bjorling explained that "for



Pages 24-25 are dedicated to Armstrong, as seen in **Figure 2**, and highlights some of the key points of his competitive career through images. (Trek, 2021, p.24-25) This puts a strong, but subtle, emphasis on their partnership, showing that the company is not avoiding mention of his involvement in their brand legacy. That interesting duality is seen in the way they refer to the timeline of his career as the “Era of the L word,” as seen in **Figure 2**, not mentioning his name explicitly, but all the pictures have the clear Trek Bikes affiliation in them, underscoring what he did for the brand, and vice versa.

**Figure 2** Key Points of Lance Armstrong’s Career and Trek Affiliation



The transcription is clear that there is a link between the brand and the athlete that fell from grace. A link which is not only not denied, but put front and center, signaling a strong message of acknowledgement by the brand, and forgiveness. It appeals to the reader’s emotional side, while rationally still positioning the brand with an affiliation with a former-cycling legend, no matter his tarnished reputation. The transcription reads: Regarding the legacy of Armstrong Trek composed the following quote:

*“Era of the L word: Obsessive. Absorbed. Demanding. Love him or have him. Lance Armstrong changed Trek for the better. Not solely from a business standpoint. Sure, we sold a lot of bikes, but the popularity of biking during that era elevated the entire industry. The lasting effect for Trek was the establishment of a methodology to consistently think bigger, think different, and realize that we can always make*

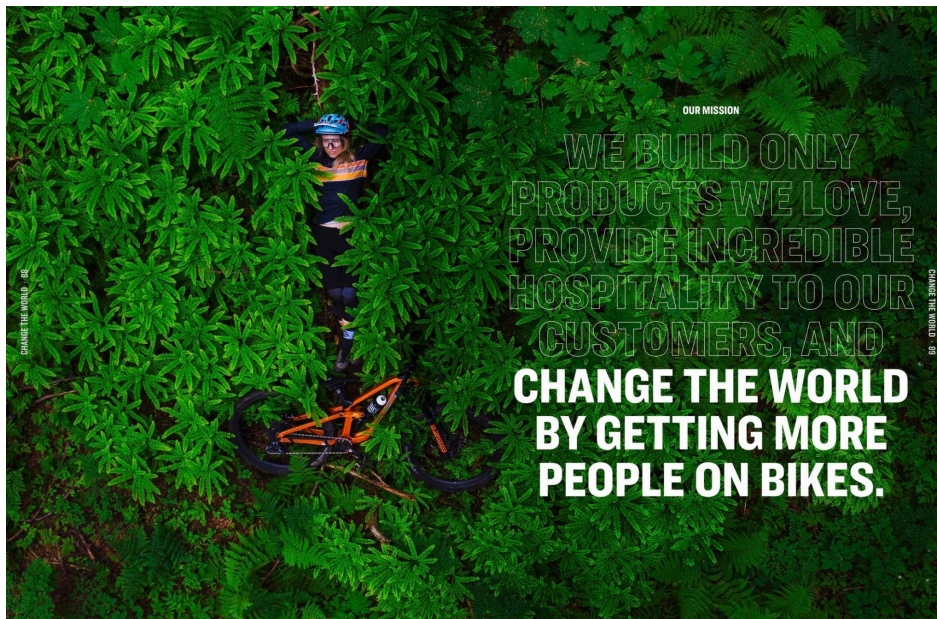


*something better. All because Lance demanded it. We had never been pushed so hard or so consistently before Lance, We had no idea how good of a bike company we could be until thrust on the bigger stage, under the brightest lights. It's undeniable. Lance made Trek better. " (Trek, 2021, p.24-25)*

**Figure 2** shows that the year 2012 is later on completely skipped on the timeline and the doping scandal is not discussed at all. The rest of the brand book focuses on the new brand identity created after the scandal, for instance, topics like creating a better world and their focus on hospitality is highlighted (Trek, 2021).

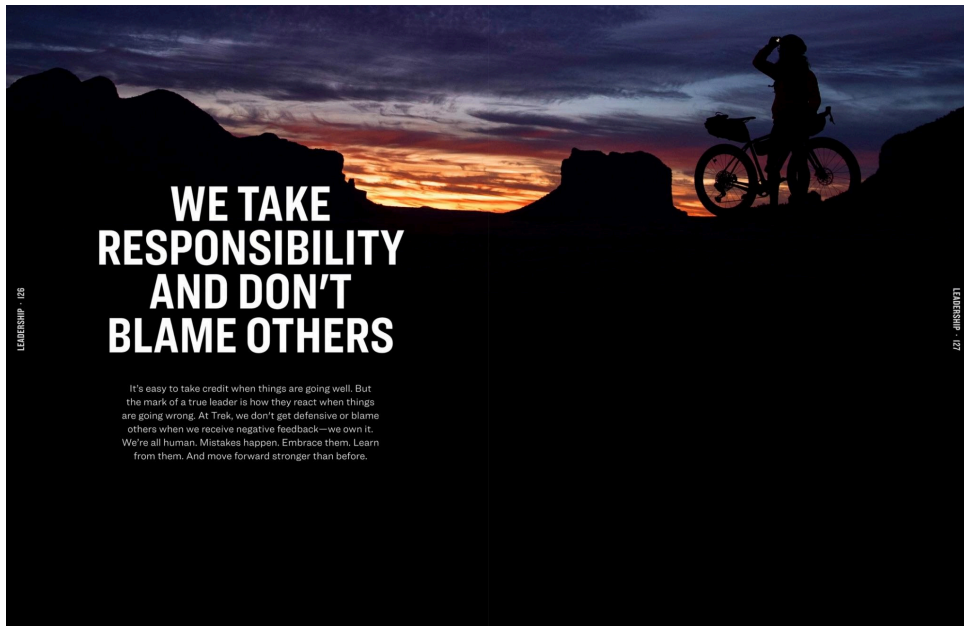
Trek also discusses the legacy they want to leave in the book. For example, currently they are fighting issues such as childhood cancer, reducing their carbon footprint, promoting diversity, giving aid to developing countries and pioneering equity in women's professional cycling as seen in **Figure 3** (Trek, 2021).

**Figure 3** Trek's Focus on The Way Forward



The book also touched on the managerial side of the company, and highlights that it is human to make mistakes, taking a forgiving approach to Lance Armstrong's case. However, the dark history with the doping scandal is not discussed. This is seen in **Figure 4**. But, it's interesting how the word responsibility is paired with the idea of not distributing blame. Those concepts are practically oxymorons, and thus, adds an edge to the case. Further, it shows their true stance, or at least a subtle nudge to them not letting this affect their brand legacy. They are willing to acknowledge the partnership that went south, but see the light at the end of the tunnel. The way forward to gloss over that dark spot in their brand history. A way to forgive.

**Figure 4** Trek's True Mantra/Stance



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