

October 2, 2017

VIA EMAIL AND OVERNIGHT MAIL

Maria Di Lorenzo, General Counsel J.Crew Group, Inc. 770 Broadway, 10th Floor New York, NY 10003

J. Crew Factory Clinton Crossing Premium Outlets 20A Killingworth Turnpike Clinton, CT 06413

Re: J.Crew Factory store's fictitious pricing practices

Dear Ms. Di Lorenzo:

I am writing to you on behalf of Truth in Advertising, Inc. ("TINA.org"), a nonprofit consumer advocacy organization based in Connecticut dedicated to protecting consumers nationwide from deceptive advertising. A TINA.org investigation has revealed that the J.Crew Factory store at Clinton Crossing Premium Outlets in Clinton, Connecticut runs perpetual – and therefore fabricated and deceptive – sales on its products.

Specifically, TINA.org visited the Clinton store on a weekly basis for more than six months (from February 17, 2017 to August 28, 2017) in order to track the advertised pricing for a sampling of five products. Not once during the entire 29-week investigation did any product in TINA.org's sampling sell for the advertised "regular" price.¹

A summary of our investigation findings is below:

Product	Advertised "Regular" Price	Advertised "Sale" Price
Women's Caryn Cardigan	\$54.50	\$19.95 - \$29.95
Women's Racerback Cami	\$49.50	\$13.93 - \$29.70
Men's Washed Shirt	\$49.50 - \$54.50	\$24.75 - \$32.70
Men's Sutton Chino	\$49.50 - \$59.50	\$27.85 - \$41.65
Women's Winnie Pant	\$69.50	\$34.75 - \$48.65

The sampling of products at the J.Crew Factory store shows that "sales" ranged from 30% off to more than 70% off the "regular" price. A full table showing the individual prices at the J.Crew Factory store each week, as well as photographs of the product tags and sale signs, is available at https://www.truthinadvertising.org/j-crew-pricing-database/.

This fictitious pricing comparison, in which J.Crew Factory attempts to mislead consumers to think they are receiving a great bargain, is deceptive and against the law. Accordingly, we are filing a complaint with the Connecticut Attorney General's Consumer Protection Department regarding the use of this deceptive marketing tactic. We urge you to cease this fictitious reference pricing immediately, and ensure that all J.Crew and J.Crew Factory stores and internet sites are not using similar deceptive marketing tactics.

Sincerely,

Laura Smith, Esq.

Legal Director

Truth in Advertising, Inc.

Cc: Steven Fivel, General Counsel, Simon Property Group, Inc.

¹ On February 24, 2017, the Women's Caryn Cardigan, which has an advertised regular price of \$54.50, was displayed next to this sale sign:



Though the fine print in the sign states "FULL PRICE WHEN PURCHASED INDIVIDUALLY," it is not likely that any consumer would purchase one sweater for \$54.50 when they could purchase two sweaters for \$40.00.