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American Apparel's Times Are Tough, Turns To 'The Price Is Right'

American Apparel's sales were down 10 percent last year and the brand is forecasting another ten percent decrease for the first quarter of this year, [WWD reports](#). This, combined with stopping overseas expansion and in-store investments, and production problems, has put the retailer in a sticky spot.

"We are a young company and we haven't worked out all the kinks. Right now we are in a period of rationalization, in a period of working with less and deploying our assets more productively," Dov Charney, founder and chief executive officer of American Apparel told WWD. "That means reducing inventory, paying down debt and getting more sales out of the stores we have. We're upgrading software, improving distribution methodology and updating our point of sale systems. If there weren't any problems--then I'd be worried."

American Apparel has 282 stores, half in the U.S. and half in other countries and in the last year-and-a-half, it opened about 60 of those stores. Mimi Bartow, a director at Telsey Advisory Group said American Apparel's "real estate strategy was not as disciplined as it should have been, but their newest stores are doing well and I think that speaks to a new discipline in making sure the locations are right, that they make economic sense and that the demographics can support the new stores."

The company also suffered a blow when it had to fire [1,500 allegedly illegal immigrants](#) last year who were employed in its factories.

So how has Charney tried to make up for the losses? With a nail polish line (later [recalled](#)) and a search for the [best bottom in the world](#) (NSFW pics at the link). And also--[as Styleite points out](#)--sponsoring "The Price Is Right." Yes, we're serious. Check it out:

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