

AMERICAN APPAREL, INC  
Form NT 10-Q  
May 11, 2010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 12b-25

NOTIFICATION OF LATE FILING

SEC File Number: 001-32697

CUSIP Number: 023850100

(Check One):  Form 10-K  Form 20-F  Form 11-K  Form 10-Q  Form 10-D  
 Form N-SAR  Form N-CSR

For Period Ended: March 31, 2010

- Transition Report on Form 10-K
- Transition Report on Form 20-F
- Transition Report on Form 11-K
- Transition Report on Form 10-Q
- Transition Report on Form N-SAR

For the Transition Period Ended: \_\_\_\_\_

Read Instruction (on back page) Before Preparing Form. Please Print or Type.  
Nothing in this form shall be construed to imply that the Commission has verified any  
information contained herein.

If the notification relates to a portion of the filing checked above, identify the Item(s) to which the notification relates:

\_\_\_\_\_

PART I  
REGISTRANT INFORMATION

American Apparel, Inc.  
Full Name of Registrant

Former Name if Applicable

747 Warehouse Street  
Address of Principal Executive Office (Street and Number)

Los Angeles, California 90021  
City, State and Zip Code

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PART II  
RULE 12b-25 (b) AND (c)

If the subject report could not be filed without unreasonable effort or expense and the registrant seeks relief pursuant to Rule 12b-25(b), the following should be completed. (Check box if appropriate.)

- (a) The reasons described in reasonable detail in Part III of this form could not be eliminated without unreasonable effort or expense;
- (b) The subject annual report, semi-annual report, transition report on Form 10-K, Form 20-F, Form 11-K, Form N-SAR or Form N-CSR, or portion thereof, will be filed on or before the fifteenth calendar day following the prescribed due date; or the subject quarterly report or transition report on Form 10-Q, or subject distribution report on Form 10-D, or portion thereof, will be filed on or before the fifth calendar day following the prescribed due date; and
- (c) The accountant's statement or other exhibit required by Rule 12b-25(c) has been attached if applicable.

PART III  
NARRATIVE

State below in reasonable detail the reasons why Form 10-K, 20-F, 11-K, 10-Q, 10-D, N-SAR, N-CSR, or the transition report or portion thereof could not be filed within the prescribed time period.

American Apparel, Inc. (the "Company") filed its Annual Report on Form 10-K for the year ended December 31, 2009 on March 31, 2010. The delay in this filing has caused, in part, the Company to be unable, without unreasonable effort and expense, to timely file its Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 ("Form 10-Q") because the Company needs additional time to complete certain reviews and analyses with respect to the financial statements and related disclosures to be included in its Form 10-Q. The Company is working diligently to finalize its Form 10-Q.

PART IV  
OTHER INFORMATION

- (1) Name and telephone number of person to contact in regard to this notification

Adrian Kowalewski	(213)	488-0226
(Name)	(Area Code)	(Telephone Number)

- (2) Have all other periodic reports required under Section 13 or 15(d) of the Securities Exchange Act of 1934 or Section 30 of the Investment Company Act of 1940 during the preceding 12 months or for such shorter period that the registrant was required to file such report(s) been filed? If the answer is no, identify report(s).

Yes  No

(3) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof?

Yes  No

If so, attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made.

Net sales are expected to increase for the quarter ended March 31, 2010 compared to the quarter ended March 31, 2009, primarily as a result of an increase in net sales to the Company's wholesale customers, and also a result, although to a lesser extent, of an increase in net sales in the Company's retail business. The increase in retail sales was due to a larger number of retail store locations in operation in the first quarter of 2010 as compared to the first quarter of 2009. The Company operated 280 retail store locations as of March 31, 2010, as compared to 264 retail store locations as of March 31, 2009. The increase in retail net sales was partially offset by negative comparable retail store sales in the first quarter of 2010. The Company expects to report a larger net loss in the first quarter of 2010 as compared to the first quarter of 2009, primarily as a result of higher cost of sales due to increased manufacturing costs, and higher operating expenses related to the higher number of retail stores in operation in the first quarter of 2010 compared to the first quarter of 2009.

It is expected that gross margin will decrease for the quarter ended March 31, 2010 compared to the quarter ended March 31, 2009, primarily due to a change in the overall sales mix to a higher level of wholesale net sales which generate lower gross margins than the Company's retail net sales, and due to increased manufacturing costs. Additionally, compensation expense related to a stock grant to the Company's manufacturing employees in the first quarter of 2010 was also recorded in cost of sales for the quarter.

Operating expenses are expected to increase for the quarter ended March 31, 2010 compared to the quarter ended March 31, 2009. This increase is primarily as a result of the increase in the total number of retail store locations, which resulted in, among other things, higher occupancy, payroll, general and administrative and other store-related costs. Additionally, compensation expense related to a stock grant to the Company's retail and administrative employees in the first quarter of 2010 was recorded in operating expenses for the quarter.

Interest expense is expected to decrease for the quarter ended March 31, 2010 compared to the quarter ended March 31, 2009, primarily as a result of the reduction in the amortization of deferred financing costs incurred in connection with the extension of the Company's second lien credit facilities in December 2008 that were subsequently amortized during the three months ended March 31, 2009 in connection with the retirement of the related credit facilities in March 2009.

The Company is not able to definitively quantify the changes in net sales, net income, gross margin, operating expenses, or interest expense until the Company's preparation and review of the financial statements to be included in the Form 10-Q are completed.

#### Safe Harbor Statement

This Form 12b-25, and other statements that American Apparel, Inc. may make, may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts and include statements regarding, among other things, the Company's future financial condition and results of operations and the Company's prospects and strategies for future growth. In some cases, you can identify forward-looking statements by words or phrases such as "trend," "potential," "opportunity," "believe," "comfortable," "expect," "anticipate,"





American Apparel, Inc.  
(Name of Registrant as Specified in Charter)

has caused this notification to be signed on its behalf by the undersigned hereunto duly authorized.

Date May 11, 2010

By /s/ Adrian Kowalewski

Name: Adrian Kowalewski  
Title: Chief Financial Officer

INSTRUCTION: The form may be signed by an executive officer of the registrant or by any other duly authorized representative. The name and title of the person signing the form shall be typed or printed beneath the signature. If the statement is signed on behalf of the registrant by an authorized representative (other than an executive officer), evidence of the representative's authority to sign on behalf of the registrant shall be filed with the form.

**ATTENTION**

Intentional misstatement or omissions of fact constitute Federal Criminal Violations (See 18 U.S.C. 1001).