



## ULTRA-SONIC

SONIC YOUTH'S KIM GORDON TALKS ABOUT HER UPCOMING ART EXHIBITION. STYLE, PAGE 9



**PLUS:**  
**ON THE FRIZZ:** A roundup of the latest home frizz fighters that mimic salon treatments. **Page 8**

# WWD

FRIDAY, APRIL 22, 2011 ■ WOMEN'S WEAR DAILY ■ \$3.00

## Elegant Game

To create his upcoming fragrance, Armani Code Sport, designer Giorgio Armani has bypassed the usual sporty clichés and drawn inspiration instead from the seductive nature of athletic strength. The scent begins its global launch this month, rolling out to the U.S. market in August. Industry sources estimate it could generate sales of roughly \$30 million in its first year in the U.S. For more, see page 5.



PHOTO BY ROBERT MITRA; STYLED BY TYLER RESTY

### AVOIDING THE BRINK

## American Apparel Gets Key \$15M Cash Injection

By DAVID LIPKE

DOV CHARNEY HAS USED UP one more of his nine lives.

The controversial retailer on Thursday finalized a private placement of shares in American Apparel that gives the company breathing room on its burdensome debt and a cash cushion to finance operations. The move averts a potential bankruptcy for the trendy Los Angeles-based company, which has repeatedly warned in filings that it faced an imminent liquidity crisis.

A group of investors led by Toronto-based Michael Serruya acquired \$15.2 million in shares of American Apparel, at 90 cents each, a 27.4 percent discount to Thursday's closing price of \$1.24. The deal also includes warrants convertible to another \$27 million in shares, also at 90 cents each, that are exercisable over the next 180 days.

As part of the deal, American Apparel also won a waiver from Bank of America on a covenant breach on a \$58.2 million credit facility that could have immediately become due at the end of this month.

The strike price on the warrants in the financing deal is well below where shares are currently trading, so are likely to be converted to shares, said sources close to the agreement, which would bring yet more cash into American Apparel's coffers.

London-based Lion Capital, American Apparel's largest lender, now holds additional warrants for about 32 million shares, also at a below-market price, following the awarding of additional warrants related to this latest financing deal, said sources.

Any large-scale conversion of warrants to shares

SEE PAGE 4

### IN WWD TODAY



#### Zara Enters Australia PAGE 3

**RETAIL:** The fast-fashion giant breaks into the Australian market with a store in Sydney and plans to open up to four more this year.

#### Olivier Rousteing Seen at Balmain PAGE 2

**FASHION:** The key right-hand to Christophe Decarnin is said to be in prime position to take over the hot fashion house.

#### Fingerhut Parent Plots IPO PAGE 3



This dress is crafted in New York City from recycled plastic soda bottles that are melted down and refined into the mesh-like fabric.

Allison Parris' recycled polyethylene dress and acrylic chain and cotton belt. Vegetarian Shoes microfiber boots, A.D.O. cuff and bangles made of reclaimed metals.

# High on Green

Today is Earth Day and more than one billion people now participate in related activities each year. Designers, such as those featured here participate year-round with their eco-conscious collections. — Kim Friday

► Organic by John Patrick's recycled polyester trench coat with Oeko-tex certified cupro lining and shorts made of locally sourced, vegetable tanned leather, worn with Samantha Pleet's organic wool sweatshirt. Hunter rubber boots and Mi Asunta jewelry.

Visit [sourcemap.org/trace/organic-collection](http://sourcemap.org/trace/organic-collection) to map the journey of select garments from Patrick's fall-winter 2011 collection from material to construction to retail.

The High Line uses forest stewardship council-certified ipe hardwood that was sustainably harvested from a managed forest, and almost 80 percent of the plant species in section 1 are native to New York.

► Church & State's organic cotton sweatshirt and Susan Woo's wood pulp-based Tencel trousers. Alkemie 100 percent reclaimed metal jewelry, Dutzi burlap and recycled leather clutch.

H. Fredriksson works with Kusikuy, a knit production program that provides fair wages, safe workplaces, zero-interest loans and training programs to knitters in Bolivia, who use only fiber produced in accordance with the Organic Trade Association.

H. Fredriksson's hand-knitted alpaca sweater dress over The Battalion's cupro silk lace dress. Tumbler & Topsy's hand-knit organic wool scarf; Sticks & Stones Accessories sustainably harvested maple rings trimmed with shed deer antlers and ebony wood; Artists and Revolutionaries repurposed leather bag, and Naya vegetable-tanned polyurethane boots. ►



Alkemie is designed by Dara Gerson and Ashley Lowengrub. Each piece is reclaimed metal that is melted down, hand cast and crafted in their Los Angeles studio.



MODEL: NATALIA Q'VANY; HAIR BY KAYLA NICHOLLE AT PIRELLA GÖTTSCHE LOWE; MAKEUP BY JEN WYLES AT WORK GROUP LTD.; USING WARE; FASHION ASSISTANT: JASMIN PREGONING

PHOTOS BY KYLE ERIKSON AT THE HIGH LINE