

AMERICAN APPAREL, INC
Form 424B3
January 12, 2012

Filed Pursuant to Rule 424(b)(3)
Registration No. 333-176547

PROSPECTUS SUPPLEMENT NO. 1
(to Prospectus dated December 5, 2011)

AMERICAN APPAREL, INC.
24,182,669 Shares of Common Stock

This Prospectus Supplement No. 1 (this "Prospectus Supplement") supplements the Prospectus dated December 5, 2011 (the "Prospectus"), which forms a part of our Registration Statement on Form S-1 (Registration No. 333-176547). This Prospectus Supplement No. 1 is being filed to update and supplement the information in the Prospectus with the information contained in our Current Report on Form 8-K (the "Current Report"), filed with the Securities and Exchange Commission on January 11, 2012. Accordingly, we have attached the Current Report to this Prospectus Supplement.

The Prospectus and this Prospectus Supplement relate to the possible resale of up to 24,182,669 shares of our common stock by the selling stockholders listed on page 10 of the Prospectus, including their transferees, pledges or donees or their respective successors, that were issued pursuant to that certain Investment and Purchase Agreement, dated as of April 21, 2011, by and among us and the signatories thereto. We will not receive any proceeds from the resale of such shares of our common stock.

You should read this Prospectus Supplement in connection with the Prospectus and the related Registration Statement. If there is any inconsistency between the information in the Prospectus and this Prospectus Supplement, you should rely on the information in this Prospectus Supplement.

Our common stock is traded on the NYSE Amex under the trading symbol "APP." On January 11, 2012, the last reported sale price of our common stock was \$1.00 per share.

Investing in our common stock involves a high degree of risk. You should review carefully the risks and uncertainties described under the caption, "Risk Factors," beginning on page 2 of the Prospectus, in our Annual Report on Form 10-K for the year ended December 31, 2010, in our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2011, for the quarter ended June 30, 2011, for the quarter ended September 30, 2011, and in any other reports that we file with the SEC, along with the other information included or incorporated by reference in the Prospectus, this Prospectus Supplement or in such reports, before you decide to invest in our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if the Prospectus or this Prospectus Supplement is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Prospectus Supplement is January 11, 2012.

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

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 9, 2012

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

| | | |
|---|---------------------------------------|--|
| Delaware (State or Other Jurisdiction of Incorporation) | 001-32697 (Commission File Number) | 20-3200601 (IRS Employer Identification No.) |
|---|---------------------------------------|--|

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|---|--------------------------|
| 747 Warehouse Street, Los Angeles, CA (Address of Principal Executive Offices) | 90021-1106 (Zip Code) |
|---|--------------------------|

Registrant's telephone number, including area code: (213) 488-0226

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

“ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

As previously disclosed in American Apparel, Inc.'s (the "Company") Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, the Company received a subpoena from the Securities and Exchange Commission (the "SEC") in August 2010 for documents relating to the SEC's investigation surrounding the change in the Company's registered independent accounting firm and the Company's financial reporting and internal controls. The Company also received a subpoena in May 2011 from the SEC for documents relating to a complaint filed by a former employee with the Occupational Safety & Health Administration in November 2010 that contains allegations regarding, inter alia, the Company's policies with respect to and accounting of foreign currency transactions and transfer pricing.

The Company cooperated fully with the subpoenas and investigation, and on January 9, 2012, the Company received a letter from the SEC's Los Angeles regional office stating that its investigation was completed, and that it did not intend to recommend any enforcement action against the Company to the Commission.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN APPAREL, INC.

Dated: January 10, 2012

By: /s/ Glenn A. Weinman
Name: Glenn A. Weinman
Title: Senior Vice President,
General Counsel and
Secretary