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American Rag to Open in Shanghai

By Andrew Asch *Retail Editor*

American Rag Cie is taking its show to the world.

The pioneering Los Angeles retailer announced that the company recently signed off on a licensing deal that will bring American Rag to Shanghai, possibly in the first half of 2015. A fleet of more than 30 stores will be opened in the next two years in China, said Larry Russ, a partner in the deal.

The announcement of a Shanghai store follows the recent debuts of a handful of other overseas projects for Mark Werts, American Rag's founder, and his business partners. During a recent event at the American Rag store in Los Angeles, Werts said that he was interested in expanding in emerging markets that are picking up great strength.

This summer, an American Rag store opened in Thailand. In the past year, Werts, Russ, Rudolphe Faulcon, **Levi Strauss & Co.** and a Turkish licensee introduced two **Industrie Denim** stores, a separate concept from American Rag, in Istanbul. There are two Industrie Denim stores

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stateside. One is located in San Francisco and another is in Scottsdale, Ariz. The stores opened when the concept was introduced in 2011.

This summer, Werts opened its first American Rag in Bangkok. It is located in Bangkok's **CentralWorld**, which calls itself the sixth-largest mall in the world. The mall is owned by a division of **Central Marketing Group**, which is also Werts' partner in opening American Rag in the Southeast Asian country. No schedule has been set for opening upcoming American Rag stores in the Bangkok area.

American Rag in Bangkok carries many of the same brands that it does in Los Angeles. Some of the brands on the American Rag Bangkok's **Instagram** site were **Shades of Grey by Micah Cohen**, **Apolis**, **Black Fleece**, **Kill City** and **PRPS**. Faulcon, a partner in the venture, designed the look of the store. He was a set designer in his native France and crafted the look for American Rag and Industrie Denim stores, Russ said.

A bloodless coup d'état in Thailand in May postponed the opening of the American Rag in Bangkok by three months, but the post-coup milieu was deemed to be secure

enough to launch a new business.

Werts is not the only American specialty retailer to run stores in Bangkok. David Engel formerly owned the now-defunct **Villains SF** boutiques in San Francisco. He currently runs three Villains SF footwear stores in Bangkok, including one at Central World.

Earlier this year, American Rag introduced its own brand **Fadeless** in its U.S. and overseas stores. Eventually, it may be wholesaled, Russ said. The limited collection includes button-down shirts for men, which retail for \$130, along with sweaters and hoodies. In the future, it will offer women's looks and denim pants, Russ said.

American Rag started business in 1984 in San Francisco but later opened its most high-marquee store on Los Angeles' La Brea Avenue. It gained renown for breaking new brands, novel merchandising of music and homewares as well as for also being a retailer of unique and sometimes exotic jeans labels in its World Denim Bar department. Some 110 brands are offered there. American Rag licenses an American Rag juniors brand to **Macy's Inc.** American Rag also runs a location at the **Fashion Island** retail center in Newport Beach, Calif., as well as 14 stores in Japan. ●