

Talking shop: Attorney, business owner juggles jobs

*Clothing store owner
Larry Russ tries to
find business solutions
for his clients.*

By Andrew McIntyre
Daily Journal Staff Writer

On any given day, Larry C. Russ might be a lawyer, a businessman or both. "It depends on the day. That really changes on a day-to-day basis," said Russ, a founding partner of Russ August & Kabat and co-owner of Los Angeles vintage clothing store American Rag Cie, from a conference room at his Wilshire Boulevard firm, having just returned from brand introduction discussions in Turkey. Russ got his start in business as a teenager, noting deposits and filling in inventory in his parents' Los Angeles discount retail store. But he knew a career in retail was not for him, so he enrolled in law school.

Yet his interest in business never seemed to dissipate, and after handling cases involving major apparel companies — including FAM Brands, Forever 21 and Levi Strauss & Co. — and becoming an owner of American Rag seven years ago, Russ has become what he describes as a business-minded attorney.

"My hat is off to anyone who can be a lawyer and run an apparel business," said Antonio R. Sarabia II, who worked for Guess Inc. for nine years and founded Rolling Hills Estates-based IP Business Law Inc. "It's kind of like cooking. You have to temper the business decisions with

just the right amount of legal advice." While many lawyers focus on the law first, Russ, who thinks legal solutions are not always best, said he often tries to engineer creative business solutions.

Russ said his apparel experience helps him "be a resource" to his apparel clients.

"If I cannot find a creative business decision, I tend to create a strategy that will allow our client to be in a good position," he said.

In one case, in which two parties were involved in extended litigation and the losing party was going to have serious trouble paying up, Russ engineered an acquisition.

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"Larry is a platinum bullet," said Frank Zarabi, president and CEO of Commerce-based FAM Brands, for whom Russ has done work for 20 years. "He enjoys resolving matters and puts you back on track with where you're supposed to go in business."

When not working as a lawyer, Russ spends a good deal of time with American Rag founder Mark Werts building the company, which has a store headquarters on South La Brea Avenue and whose brand can be seen in Macy's stores across the U.S. and

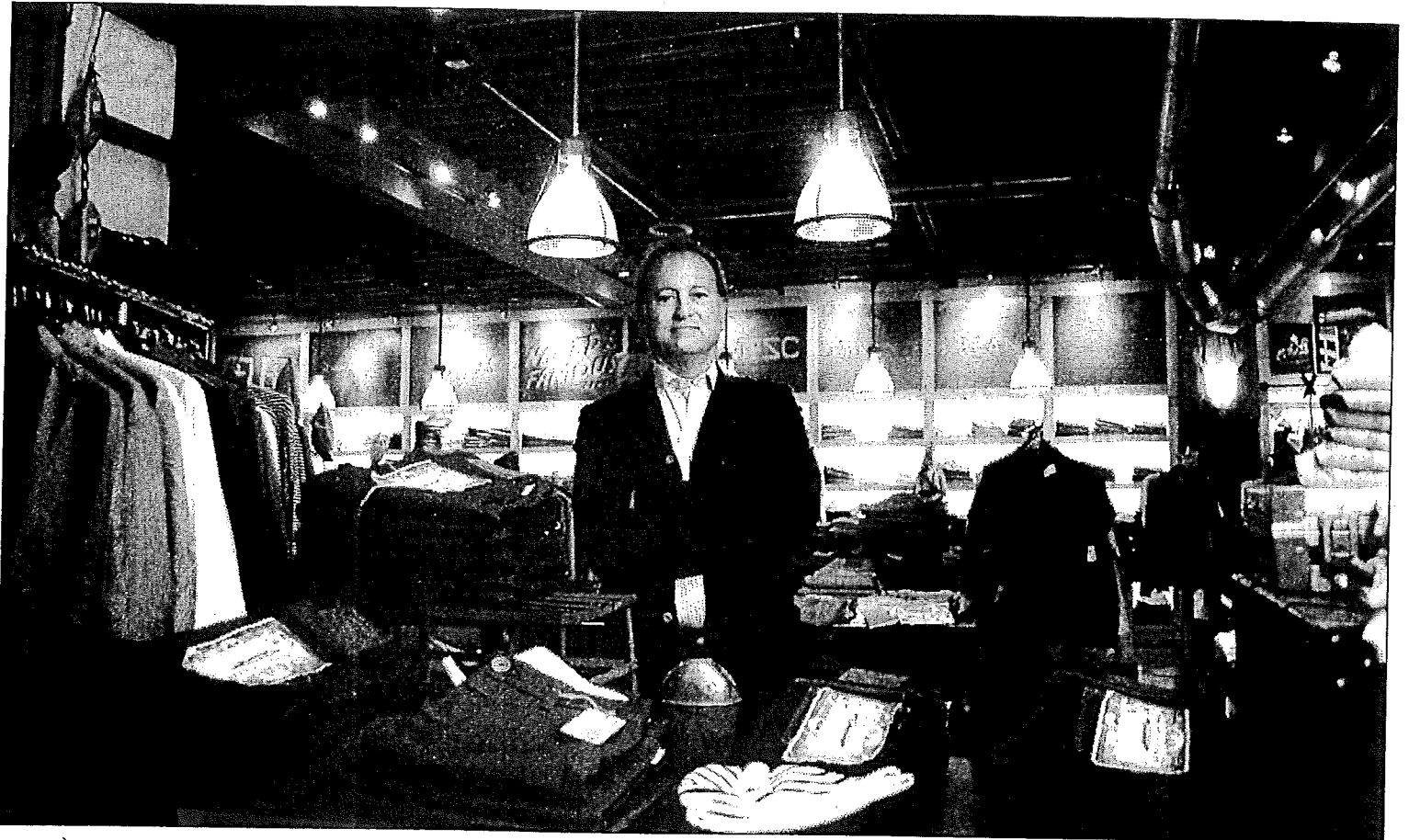
in department stores across Japan.

"What Mark and Larry have done together with American Rag is an extraordinary accomplishment," said Staci Jennifer Riordan, a fashion law partner in the Century City office of Fox Rothschild LLP who is familiar with both men. "The way they were able to start in retail and expand into wholesale and grow both simultaneously is remarkable."

Russ said his enthusiasm for law is never far from the foreground even when he's making business decisions for his company.

"I enjoy practicing the law," he said. "There's nothing like the intellectual stimulation of a hard, complex case."

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Juliane Backmann for the Daily Journal

Larry C. Russ, a founding partner of Russ August & Kabat and co-owner of Los Angeles vintage clothing store American Rag Cie, at his store in Hollywood.