Simmons®

Better Sleep Through Science.®

THE MARKET

Mattresses are big business in the United States. Consumers will spend $4 billion on bedding this year. Yet some people still see their mattress as a commodity and make purchasing decisions accordingly. Unfortunately, they often pay for it with poor sleep. Simmons has always seen the mattress differently: as a way to help people sleep better. This point of view reflects a unique, company-wide passion that's also right on the money, especially when considering the facts about sleep.

A recent survey shows that one out of four adults categorize their sleep as fair or poor. Over one half of them consider themselves sleep deprived. The effect of inadequate sleep is real. The National Sleep Foundation found that inadequate sleep can lead to health problems and impaired performance at work, increasing the risk of injury and on-the-job mistakes. Statistically, the average amount of sleep per night dropped 20 percent during the 20th century.

In a recent sleep poll, Americans agreed that the sleep surface is very important to a deep/restful sleep. They also recognized that a better quality mattress can provide a better night's sleep.

By constantly innovating and producing mattresses that are not only comfortable, durable, and aesthetically pleasing, but also are designed and built to promote sounder sleep routines and better overall sleep, Simmons is responding to America's call.

ACHIEVEMENTS

Simmons, one of the world's largest brand names in bedding, is represented in more than 100 countries.

Changing people's lives around the world through better sleep is quite an achievement in itself, but Simmons is not one to rest on its laurels. The company is also committed to revolutionizing its own industry and has become a leader in the home furnishings field.

Through industry-leading research and development, innovative consumer-driven products, memorable advertising, dynamic retail programs, progressive employee relations, and its imaginative Web site, Simmons continues on its course of cutting-edge leadership on many fronts.

One of the best physical examples of the company's drive to be the best is the Simmons Institute for Technology and Education (SITE). Completed in 1995, the 38,000-square-foot facility houses Research and Product Development, Manufacturing Services, Quality Assurance, Transportation, and Distribution. SITE is the seedbed for the kind of groundbreaking technology for which Simmons has become recognized.

Another place in which Simmons' achievements are now archived is the Smithsonian National Museum of American History in Washington, D.C. The Simmons entry encompasses everything from manufacturing innovations (including many patents and trademarks) and a case study in marketing to the classic growth of a family business.

One look inside the Simmons Company would reveal something incredible: empowered employees working together to bring the concept of Better Sleep to life. This dedication to success has enabled Simmons to deliver an incredible line of Better Sleep products and a solid network of support to their retail partners. Teamwork, caring, and commitment are just a few reasons that Simmons Company was named to *Fortune* magazine's 2004 list of 100 Best Places to Work.

HISTORY

The history of Simmons Company is one of continuous innovation spanning more than 130 years. The Simmons story began in 1870 when Zalmon Simmons bought a cheese-box factory in Kenosha, Wisconsin. He also owned a country store where one day, as payment for a bad debt, he accepted a patent for a woven bedspring. Simmons assigned a local inventor to the project and in 1876 they manufactured the first mass-produced woven wire mattress.

This idea was definitely ahead of its time. While the bed was becoming a fixture in American bedrooms, the mattress was still a rarity. As the 1920s began, most Americans still slept on lumpy pads stuffed with cotton or hair. This habit continued until 1925 when Simmons Company came up with the Beautyrest® Pocketed Coil® spring mattress and changed the history of sleep forever.

As the decades passed, Simmons continued to make bedding history by catering to changing lifestyles. In 1930, they introduced the studio couch and 10 years later the innovative Hide-A-Bed®. The first electric blanket (1946) was another Simmons invention. In 1958, Simmons became the first mattress company to offer both king and queen sizes. As Americans became more stressed and grew physically larger, Simmons saw to these needs with solution after solution. BackCare® was introduced in 1995. The non-flip mattress (a maintenance-free design that has radically changed the way bedding is made) debuted in 2000. And the Olympic® Queen, with its imaginatively designed space so a queen sleeps more like a king-sized mattress, came a year later.

Today, the company remains on a historic mission: to provide quality sleep and better overall health for the changing needs of society.

THE PRODUCT

Uniquely designed consumer-driven products with tangible built-in benefits set Simmons apart.

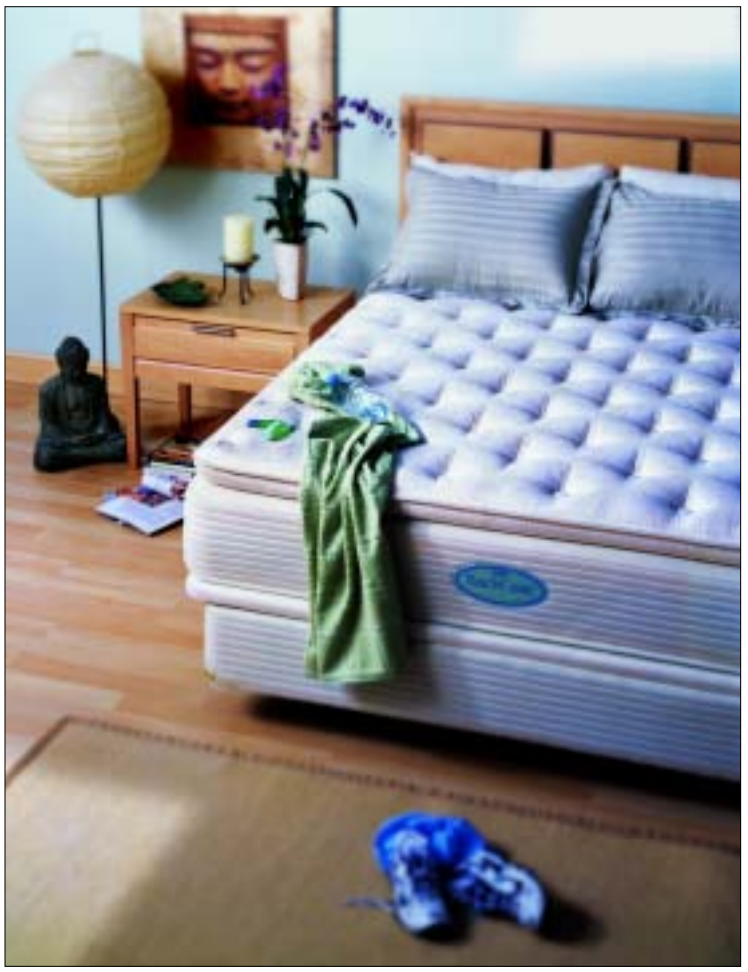
Simmons® Beautyrest®, the company's flagship brand for over 75 years, has been proven to provide better sleep for people who share a bed. How? Beautyrest® Pocketed Coil® Springs are designed to reduce motion transfer across the mattress. Considering all the tossing and turning that goes on between sleeping partners, and the resultant motion transfer, you can see why Beautyrest® is the ideal mattress for couples, especially because both partners can benefit from peaceful, undisturbed sleep. Alertness, productivity, happiness, and slowing the aging process are

just some of the health attributes associated with improved sleep.

Simmons BackCare® has a patented design that follows the natural, healthy shape of the body. The natural, healthy shape of the body is curved, not flat. So, the BackCare mattress is firmer in some areas to support the curves of the body and softer in other areas to provide greater comfort in the areas where the body touches the mattress the most. This anatomically correct design helps the body relax, so you restore your body while you sleep.

The Simmons Olympic Queen is another example of Simmons' creative thinking in designing the kind of sleep consumers desire. This ingenious mattress adds six inches to the traditional queen size; the Olympic Queen sleeps like a king, but still fits a queen-sized foundation. It's the ideal solution for consumers who want a larger mattress but already own queen-size furniture. The Simmons Olympic Queen fills the need by delivering not only 10 percent more space, but also a better quality of sleep.

If better sleep is the goal, Simmons has the products for it. From the luxurious DreamScape and partnerships with noted New York designers to new generation coils in Deep Sleep® and Adjustable Beds, Simmons continues to reinvent the way Americans sleep.



Simmons® Better Sleep Through Science.®

Beautyrest® Better Sleep For The Two Of You.™

BackCare® Better Support. Better Sleep.™

RECENT DEVELOPMENTS

Now is an exciting time to be involved in the science of sleep. While updating its product line with the latest technological advancements, Simmons continues to pioneer sleep research and product development. Working with noted sleep experts, authors, and researchers, the company is always testing and exploring the possibilities of improved sleep. The beneficial results are apparent both in stores and online.

After almost 80 years of research, the Pocketed Coil has been redesigned to be even stronger and more durable, and to offer more motion separation benefit than ever before. The new Pocketed Cable Coil was inspired by suspension bridge cables to create the most remarkable Better Sleep possible and has been engineered to created a sleeping surface with the best motion benefit Simmons has ever produced.

Consumers are invited on the company's Web site, www.simmons.com, to experience the ultimate resource for better sleep. Interactive activities include a Sleep Research Center, online sleep analysis, and the opportunity to design the perfect bed for their individual sleep needs. You can also take a sleep deprivation test and learn all about sleep disorders, tips, and strategies.

Plans for the future include continuing sleep education for consumers and the ongoing development of products to help people everywhere achieve or enhance quality sleep.

PROMOTION

With a product line that's differentiated from the rest of the industry, the need to demonstrate unique benefits is almost irresistible. Over the years, Simmons has created advertising and promotions that are as distinctive and memorable as their products.

The 1920s saw one of the most high-profile testimonial campaigns ever launched in the United States. Well-known personalities such as Henry Ford, Thomas Edison, and Eleanor Roosevelt all extolled the virtues of their Beautyrest. In the 1940s, glamour prevailed, with stars like Dorothy Lamour and Maureen O'Hara enjoying sumptuous comfort and support. Bill Cosby and Arthur Ashe promoted Simmons bedding in the 1960s, and more recently, John Madden went to the videotape in sizing up the benefits of the Olympic Queen mattress.

Simmons® 100 Best Companies To Work For•2004

Elephants, celebrities, and politicians have all helped demonstrate the Simmons difference over the years. U.S. Olympic athletes also benefited. They slept on Simmons mattresses during the 1980, 1988, and 1996 Games.

One of the most memorable mattress icons of all time is the Beautyrest "Bowling Ball," an imaginative way to illustrate how independent Pocketed Coil® construction promotes undisturbed sleep. Like all Simmons advertising, the core concept is carried on down through the retailer and consumer levels.

BRAND VALUES

The Simmons® name has become synonymous with sleeping innovation, and brand development today rests on three passions. First is "Better Sleep Through Science.®" Simmons is committed to helping consumers achieve healthier sleeping habits as well as higher levels of quality sleep. Second is a strong belief that not all mattresses are the same. Simmons strives to make superior mattresses with discernible differences that produce unique benefits. Third, knowing consumers want better sleep, Simmons provides solutions.

Can a mattress really impact sleep quality? Simmons believes so. They believe their Beautyrest®, BackCare®, and Olympic Queen® mattresses all contribute to better sleep. Are consumers getting the message? Yes. As it has for over 130 years, Simmons continues to lead the way with solutions to better sleep and smarter sleep routines.

THINGS YOU DIDN'T KNOW ABOUT SIMMONS

- Simmons was first with the brass bed and the wall bed.
- Another industry first is the Environments Collection, a partnership with New York designer Joseph Abboud. This offering features intricate designs, luxurious fabrics, and exquisite tailoring.
- Simmons Beautyrest Adjustable beds have innovative features, such as remote controls that wake you with a gentle, soothing massage.
- Another innovation is the no-rotate mattress, heralding a new maintenance-free era of convenience.
- The www.simmons.com Web site is the first in the industry to help consumers better understand sleep and sleep products so people can make more informed buying decisions.
- The company leads the industry with some 40 registered patents promoting better sleep.