

Helping the World **Sleep Better**

ISPA Accomplishments **2019-2020**

sleepproducts.org





Lead and Advance the Interests of the Sleep Products Industry

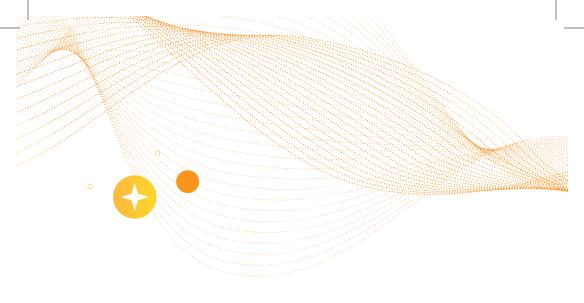
Now is a dynamic time to be part of the sleep products industry. Innovations, opportunities and risks are all around us, and here at ISPA, we are representing you at the forefront. As "the voice of the mattress industry", "we continue to stand up for your interests, and provide valuable resources to drive the industry's growth.

This year, we successfully opposed legislation in Minnesota that unnecessarily sought to regulate the use of fire retardant (FR) materials, and supported amendments to a Rhode Island anti-FR law to clarify that it does not apply to mattresses. In California, we've gone to bat against impractical changes to recycling laws, advocating on behalf of the industry to keep recycling regulations reasonable. As a result of these efforts, our industry is better positioned for continued success, and we continue to deepen our legislative influence and relationships.

In addition to our advocacy work, we've expanded the breadth and depth of our industry research. The ISPA Statistics Program now delivers more comprehensive market intelligence and data on industry trends to help you more accurately measure, plan and forecast sales results.

The Better Sleep Council (BSC) this year conducted groundbreaking consumer sleep research and in-depth mapping of the mattress buyers' journey, to provide you with valuable insights into mattress customers' motivations, decision triggers and shopping behaviors.

Our "Sleep Like a Kid" media campaign, launched for Better Sleep Month, earned an impressive 293 million impressions and garnered media coverage in Forbes, Inc., Money, and other widely-read publications.



This year, the Mattress Recycling Council (MRC) (which ISPA created in 2014) marked the fifth year of its Bye Bye Mattress program. MRC has recycled more than 5 million mattresses. To further its impact, MRC launched the Sleep Product Sustainability Program (SP2), which helps mattress manufacturers identify ways to reduce environmental impacts, establish best practices and track progress.

Internally at ISPA, we continue our emphasis on inclusiveness by creating a dynamic and engaged board, along with diverse program-specific committees. Our mission remains the same: to lead and advance the interests of the sleep products industry.

Working together in partnership with you, we strive to achieve this every day. We thank you deeply for your continued support, and pledge to remain diligent and responsive to the issues that affect your business and our industry.



ISPA's Vision

Helping the World Sleep Better

Cultivating a More Innovative, Helpful and Smarter Mattress Industry



Data Insight

Providing intelligence critical to industry success



Consumer Attunement

Enhancing industry understanding and responsiveness to consumer trends and needs



Advocacy

Proactively shaping legislation and regulations that affect the industry



Proactive **Advocacy**

How We're Shaping Legislation and Speaking Up

Regulating FR and Other Chemicals in Consumer Products

ISPA continued in 2019 its long-term effort to defeat legislation that would unnecessarily restrict the range of fire retardant (FR) materials available to the mattress industry to comply with federal flammability standards. While anti-FR advocates this year introduced several new pieces of legislation in a number of states, ISPA succeeded in modifying or defeating those bills that could have restricted the materials the industry uses to meet the Part 1633 standards.

Among these victories was ISPA's success in Minnesota in persuading the legislature to amend anti-FR legislation (MN HF 359) to exempt mattresses. Although the bill limits the use of a number of flame retardants (including organohalogen chemicals) from some consumer products, it excludes from these requirements mattresses that must comply with federal flammability standards as well as components of an adult mattress other than foam.

This year, Rhode Island also amended a law to clarify that restrictions on fire retardants in some consumer products apply only to non-polymeric organohalogen fire retardants and raised the threshold for the restrictions from 100 to 1,000 parts per million. These amendments bring clarity that the restrictions do not limit the types of fire barrier materials that mattress manufacturers currently use to meet federal mattress flammability standards.



New MRC Requirements from AB 187

California Assembly member Christina Garcia introduced AB 187 at the beginning of the year to make a number of changes to MRC's California program. The bill was championed by several environmental groups and CalRecycle. After spending months negotiating the legislation, the parties achieved a compromise that allowed us to drop our objections to the bill. Both chambers of the California legislature passed AB 187 unanimously in early September and the governor signed the bill into law in October.

Practically, AB 187 is expected to have only a marginal impact on how consumers interact with the California program. The most significant change is that the new law requires retailers that sell mattresses online to take back consumers' discarded units beginning January 2021. The amendments also add futons to the program, effective January 2020.



Mattress Recycling Innovation

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In just five years, MRC has established itself as a leader in mattress recycling and actively participates in international collaborations and other industry-led recycling programs. To improve its effectiveness, MRC has pursued more research activities in the past year, including providing financial support for improved mattress collection and dismantling, and projects that will identify new end markets and uses for components.

For more information about MRC (and Bye Bye Mattress, MRC's consumer-facing brand), please visit: mattressrecyclingcouncil.org and byebyebattress.com



Sustainability Certification Programfor CA Mattress Manufacturers

This year, MRC launched the Sleep Product Sustainability Program (SP2), a proactive environmental program designed to help mattress manufacturers reduce waste and energy consumption while increasing operational efficiencies. Developed as part of the industry's commitment to environmental stewardship, the program will complement MRC's recycling efforts. SP2 offers eligible mattress manufacturers no-cost training to conduct an in-depth analysis to identify ways to reduce environmental impacts, establish best practices and set metrics to track their progress. Upon successful completion of the program, participants will earn an SP2 facility certification. If the program proves success, MRC expects to make it available to component suppliers and perhaps retailers.

For additional information about the goals and benefits of SP2 and participation in this no-cost opportunity, California mattress manufacturers can visit:

www.mattressrecyclingcouncil.org/SP2

Better Sleep Council Year in Review



CONNECTING WITH CONSUMERS, INCREASING BRAND EXPOSURE

The Better Sleep Council (BSC) continues to serve as an ongoing resource for both consumers and the media for sleep-health related information. Using social media, blogs and a proactive media pitching strategy, the BSC provides actionable advice to consumers on how to get a better night's sleep, simplifying the mattress shopping process and the factors that contribute to good sleep.

REACHING & EDUCATING CONSUMERS

The BSC Blog helps ISPA members and retailers better connect with today's mattress shopper. Under the banner of "everyone sleeps," the BSC develops relevant, engaging sleep and health-related content for a wide consumer audience. Content is drawn from BSC research, input from BSC spokespersons and trending health and sleep topics, and is shared with members through ISPA Insider.

THOUGHT LEADERSHIP & EARNED & PAID MEDIA PLACEMENT

The BSC also uses blog content to develop targeted media pitches to better connect with our target demographic and increase exposure with more diverse audiences. This has helped us secure placements in prominent publications and develop relationships with reporters who reference us for future content. Our successful earned media placements have provided the BSC with third-party validation, an elevated status and continued support for our efforts in building trust with consumers.

REFRESHING THE BETTER SLEEP QUIZZZ FOR 2020

The Better Bed Quizzz (BBQ) continues to be a valuable resource for consumers. In 2020, it will feature an exciting new look and feel inspired by the Mattress Shopper Profiles (https://sleepproducts.org/mini-field-guide/) and the last two Better Sleep Month campaigns. The updated BBQ will continue to be promoted by targeted paid advertising, in addition to mentions on the BSC Blog and in our media pitches.

State of America's Sleep

Also during Better Sleep Month, we launched our "Sleep Like a Kid" campaign, that featured children discussing sleep issues normally experienced by adults. The success of the campaign further cemented the BSC's role as the go-to resource for sleep-and health-related information for consumers and media. Campaign messaging targeted our primary demographic (females 25-40) and served to increase awareness of the BSC and Better Sleep Month (BSM).

Sleep Like a Kid

Campaign

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KEY HIGHLIGHTS FROM THE CAMPAIGN

- Oreated original content for social media
- Daily social media content and weekly blogs featured influencers, experts and promo videos
- Targeted media pitches and coverage in industry publications



Campaign Results

293 MILLION earned media impressions

522,000paid social

impressions

8,600 site visitors

EARNED MEDIA
PLACEMENT
in Forbes, Inc.,
Money, Thrive
Global and Bustle

The reach for this year's campaign exceeded the 2018 BSM campaign by more than 50%. Earned media included publicity gained through word-of-mouth, reviews, news, comments, likes, shares and promotional efforts apart from paid media. Web traffic from the campaign exceeded projections by nearly 40%, with more than 97% of site traffic from new visitors.

The BSC plans to leverage many of the same tactics next year for the 2020 BSM and The State of America's Sleep campaigns.

State of **America's Sleep** Survey

This May, the BSC completed the first of two new groundbreaking research projects in time to debut the results during BSM. The *State of America's Sleep* survey established a baseline for annually measuring sleep quality, determining key factors affecting sleep and identifying consumer segments with differing sleep qualities. In future years, the BSC will release an annual report of the findings that can be used in BSC Blogs, social media content and media pitches to increase the impact of this research.

SURVEY FINDINGS WERE GROUPED IN 4 CATEGORIES

- Best and worst sleepers
- Causes of good and bad sleep
- Relationship between sleep and work
- Relationship between sleep and isolation

To date, the survey content has been picked up in major publications such as Forbes, Inc. and Money. Advertisements with research highlights were featured in the November issue of both BedTimes and Sleep Savvy and a full paid social media ad campaign drove traffic to the BSC Blogs.

Mapping the Mattress Buyers' Journey

A second research project that the BSC began this year investigated the mattress shopper's path to purchase, with survey findings planned for release in early 2020 and teaser highlights featured in the December issue of *BedTimes* and *Sleep Savvy*. The goal of this research is to provide all aspects of the sleep products industry a better understanding of the journey that consumers take when purchasing a new mattress and bedding accessories.

RESEARCH OBJECTIVES

- Determine the stages of the buyers' journey
- Identify purchase decision triggers, motivations and considerations
- Understand shopping behaviors and needs
- Determine the information shoppers seek during their decision-making process
- Explore the emotions, frustrations or unmet needs associated with purchasing a mattress
- Capture consumers' reflections on the purchase decision

The BSC will use this new research to develop new content for the BSC Blog as well as the majority of our 2019 and 2020 social media content and media pitches.



Groundbreaking

Consumer Sleep Research

In 2019, the Better Sleep Council conducted its first annual survey, The *State of America's Sleep*, to establish a baseline for overall quality of sleep, as well as a tool to track consumer perceptions and behaviors. From the research, the BSC uncovered the best and worst sleepers in America, as well as a couple of key factors impacting America's sleep.



57% of women are poor sleepers



58% of men are excellent sleepers

🛟 Traits of the Worst Sleepers in America

STUDENTS ARE		
2X	more likely to be poor sleepers	
3X	more likely to be work in an	

Millenials	34%
Adult Gen Zs (18-22)	10%
Feel isolated & wish they had more friends	46%
Financially stressed	72%

Traits of the Best Sleepers in America

SILENTS ARE MORE THAN



Boomers	36%
Retired Adults	28%
Positive experiences at work	84%
Positive, meaningful relationships	88%
Empy Nesters or don't have children	78%

😚 Factors That Impact Sleep in America

🕇 Stress 💛 Physical Pain 🗳 Social Life

🖰 Hours of sleep 📴 Personal Finances 🗏 Staying current with the news

Based on 2,000 survey respondents, representing a sample of U.S. adults (ages 18+)

ISPA's Annual Mattress Industry Trends Report



This year's Mattress Industry Trends Report implemented several important improvements, including a measurement of the total mattress market (comprised of both U.S.-produced and imported products), an effort to present the industry data in formats that are easier for members to use and the fruits of our efforts to persuade U.S. Customs and Border Protection to collect more precise and relevant data. The report found that U.S. sales of mattresses and stationary foundations from all sources (including imports) grew modestly in 2018 while unit shipments and value of U.S.-produced products fell below 2016 levels. The report also noted that products sold in the U.S. mattress market continue to evolve, and the sources of those products are changing.

ISPA's Annual Cost Report

This 60th edition of the Cost Report represents the most complete and current compendium of mattress manufacturers' financial and operating results available, and provides simple guidelines for identifying business performance strengths, weaknesses and opportunities. Participants can access their confidential customized performance report via the web portal or purchase a copy of the report.

ISPA's Annual Wage Survey

ISPA will issue its 2019-2020 Mattress Industry Wage & Management Report in early 2020. Once again, we are offering this important report through an **online secure portal.**

THIS USEFUL MANAGEMENT TOOL PROVIDES DATA THAT WILL HELP MEMBERS:

- Set competitive pay scales and salaries
- Review union contracts
- Negotiate benefits packages

SURVEY PARTICIPANTS WILL RECEIVE A NATIONAL REPORT AS WELL AS A CUSTOMIZED CONFIDENTIAL INDUSTRY REPORT.

BedTimes Magazine Website Redesign

In October 2019, BedTimes debuted a new website that features an updated, modern design, an improved user experience and offers new opportunities for advertising and sponsored content. A digital advertising media kit available on the site serves as a platform for ISPA to report breaking industry news in real time. The BedTimes in Brief newsletter will also debut a new look to reflect the new website.



Sleep Savvy Connects with RSAs

Sleep Savvy magazine, the Association's resource for mattress retailers, currently reaches more than 22,000 subscribers each year and continues to focus on retailer education designed to improve the shopping environment/experience and enhance professionalism at the retail level. The magazine has expanded its editorial in print, online and social media channels to include market coverage of new products and periodic features, with a goal of expanding retailers' understanding of key product categories. Plans are underway to promote and encourage stronger retailer engagement in 2020. Be sure to explore the Mattress Shopper Profiles: https://sleepproducts.org/mini-field-quide/

Updates to Labeling Laws Manual

The ISPA Manual of Labeling Laws now includes the ISPA Sleep Products Voluntary Dimensional Guideline for Bedding Products and Components. This manual is your source for comprehensive information regarding the U.S. and Canadian laws covering the labeling of bedding, upholstered furniture, stuffed toys, and other products.

IT INCLUDES:

- List of States and Jurisdictions with and without labeling laws
- General Requirements for new and secondhand bedding products
- U.S., Federal, State and Canadian labeling law requirements
- () Illustration of the Uniform Law Label
- Contact information for law enforcement officials for questions
- Overview of Registration/License process and fees and Uniform Registry Number System
- → California Prop 65 Summary
- → ISPA Sleep Products Voluntary Dimensional Guidelines



Events



ISPA EXPO is the largest trade show in the world dedicated exclusively to the sleep products industry. The trade show takes place in the spring of even-numbered years and features exhibits of the latest mattress machinery, components and supplies — everything a bedding manufacturer needs to create new product innovations, increase productivity and improve efficiencies.

ISPA EXPO 2020 IS MARCH 18-20 IN NEW ORLEANS, LOUISIANA, USA.





ISPA's Industry Conference, held in the spring of oddnumbered years, offers educational seminars with a focus on key industry and business issues as well as exhibits showcasing bedding products and services. This exceptional event also features a golf tournament, industry receptions and beginning in 2021, will include ISPA Industry Awards recognizing members who go above and beyond in their service to the industry.

THE NEXT ISPA INDUSTRY CONFERENCE TAKES PLACE (MARCH 3-4, 2021)



Gain Valuable Insights with ISPA's Must-Read Publications

Pub



Bedtimes Magazine: Sleep Products Industry Business Journal

The award-winning <code>BedTimes</code> magazine offers a print and digital edition and hosts an enhanced website where the latest bedding industry news and additional industry-related content are posted. The publication also offers a twice-monthly email newsletter, "<code>BedTimes</code> in <code>Brief."</code> ISPA members receive a FREE subscription to <code>BedTimes</code> magazine. <code>BedTimes</code> focuses on the topics that matter most to mattress manufacturers and their suppliers — new products, manufacturing innovations, market trends, legislative/regulatory updates and more.

Sign up at bedtimesmagazine.com

Stay in the Know all year long!

Keep updated about important developments affecting the sleep products industry.

Contact Jane Oseth, joseth@sleepproducts.org today if you are not receiving your complementary newsletter in your inbox.



The member only weekly e-newsletter reports on important industry news and developments affecting the sleep products industry.

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Sleep Savvy Magazine: Retailer Education Resource

Sleep Savvy magazine is the go-to resource for bedding retailers interested in enhancing the consumer-shopping experience and retail sales associates who want to expand sales by improving their product knowledge and professionalism.

Offered in print and digital formats, this practical publication offers features to increase readers' understanding of key product categories and improve management and sales best practices.

sleepsavvymagazine.com

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