

Sealy Adopts a Simmons Technology, and a Mattress Battle Erupts



Jeff Clark for The New York Times

A customer tests a mattress at a store in Arroyo Grande, Calif.

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Jeff Clark for The New York Times

Jimi Breazeale, a retailer, pointing out some of the inner differences of mattresses.

That's the situation making for sleepless nights at Simmons, the bedding manufacturer. Its archival [Sealy](#) is suddenly embracing a mattress technology Simmons has championed since the 1920s.

At a trade show this week in Las Vegas, Sealy will introduce a new line of its flagship Posturepedic mattresses. In the past, Sealy used coils laced together by wire, but, in one version of the new

Posturepedics, it is switching to coils tucked into fabric cylinders. That, Simmons says, has long been its sweet spot in the highly competitive bedding market.

The move by Sealy, the largest mattress manufacturer in the country, has set off a bitter round of infighting as the old-line companies jostle to stay on top of the market.

In 2009, the most recent figures available, Sealy was still the mattress industry leader, with \$1.1 billion in sales, followed by Serta at \$915 million and Simmons at \$858 million, according to the trade publication Furniture/Today.

Yet they have been left scrambling by the success of upstart brands like Tempur-Pedic and Select Comfort, in 2009 the fourth- and fifth-biggest manufacturers in the United States, which use foam or air

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instead of springs and charge thousands of dollars for their beds.

The industry has moved forward — making it surprising, some analysts say, that the older companies are carping about coils.

“To say it’s not a major shift — of course it is,” said Gary Fazio, the chief executive of Simmons, of Sealy’s change. “Do you not have faith in the brand promise you’re making?”

Sealy executives accused Simmons of fanning flames.

“This, to me, feels like the competition is just aggressively going after this,” said Jodi Allen, chief marketing officer of Sealy. “Consumers could, really, to be honest, care less.”

Sealy’s switch is perfectly legal — Simmons has some patents, but other manufacturers have used fabric-encased coils.

Simmons has used pocketed coils since 1925, arguing that they make for less “motion transference” between sleepers, as its longtime bowling-ball commercial — drop a ball on the bed, and nearby bowling pins barely shake — used to show.

Sealy, until now, has manufactured its flagship Posturepedic line — which accounts for approximately 50 percent of its sales — with an open coil technology. The new version will come with the fabric-wrapped coils, which are also known as Marshall units. (Some of Sealy’s other lines, including Stearns & Foster, already use encased coils.)

“Marshall units do prevent motion transfer a little bit more, and again in all fairness, there have been great advertisements” for it, said Michael Q. Murray, general counsel of Sealy. Until now, he said, Sealy had not used the coils in its Posturepedic mattresses because the company had not found a satisfactory way to design supportive enough coils.

Mr. Fazio, of Simmons, was disbelieving. “They’re coming up with a defense,” he said, but “after having one brand and one promise to their customers and their employees, they’re suddenly switching to the Simmons system.”

Some in the industry agreed that Sealy’s new approach was surprising.

“I think they’re liable to send a message that, ‘Hey, Simmons was right all along,’” said Ron Zagel, the owner of Jonathan Stevens Mattress, a store in western Michigan that sells mattresses he manufactures.

But other retailers, and even a competitor, shrugged.

“We have many types with individually wrapped coils,” said Andrew Gross, the senior vice president for marketing at Serta, which has the same owners as Simmons. “We’re not focused on every move of the competition.”

As the coil conflict takes up the energy of the older manufacturers, analysts and retailers said they would be well advised to keep an eye on the newer mattress makers, which have “changed the way consumers think about mattresses,” said Jimi Breazeale, an owner of Get-a-Mattress, a retailer in Arroyo Grande, Calif. Because of their approach, many shoppers now research products on the Internet and expect greater price transparency.

People buying a mattress used to spend a few hundred dollars, and would depend on sales clerks for advice. Price comparison was close to impossible, as the major manufacturers called the same models by different names at different retailers. And mattress companies rarely advertised directly, since retailers demanded ad dollars from them for their own circulars or promotions.

Then brands like Tempur-Pedic and Select Comfort stormed into the market. They introduced new technologies, sold directly from their Web sites, and used the same model names at various retailers. They also poured money into television advertising, encouraged research and charged more than \$2,000 for many beds.

From 2003 to 2009, the compound annual growth rate of sales at Tempur-Pedic was 15.9 percent, and 3.3 percent at Select Comfort, according to estimates by KeyBanc Capital Markets. During the same period, Sealy increased 0.6 percent, and Simmons and Serta 2.5 percent. And when Tempur-Pedic reported its 2010 results last week, its sales had increased 33 percent, to \$1.1 billion — close to Sealy's 2010 results, at \$1.2 billion.

“Consumers have a certain and unhealthy level of mistrust for the mattress industry,” said Rick Anderson, president of Tempur-Pedic North America. “If there can be this beacon of sensibility, a consistent, transparent company that has a single product line and the same product sold everywhere at a consistent price, we believe that is one of the reasons for our success.”

The upstarts have come so far that Sealy is frank about lifting its advertising-to-consumers approach from Tempur-Pedic as it introduces the new Posturepedic line. Sealy has put together its biggest marketing campaign in 10 years, with television ads created by Leo Burnett.

“We're aggressively going after growing market share,” said Ms. Allen, the Sealy marketing executive.

Tempur-Pedic said it was unfazed. “Growth spawns a lot of imitation,” Mr. Anderson said.

The reaction at Simmons, however, has been less generous.

Sealy is “shifting over to a completely different system,” Mr. Fazio said, “so to say that it's not odd — it's odd.”

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