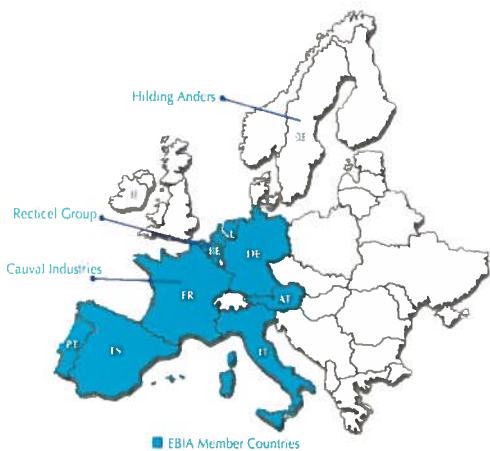


EBIA

european bedding industries' association

NewsMagazine



Leadership needed

Last year I was hoping that I would be able to address you against a background of a clear upturn of the European economy.

At the start of the year, Western economies appeared on track for expansion after the worst global recession since the Second World War. The hope was that ultra low interest rates and strong growth in dynamic emerging markets, including China, would be enough to encourage a sustained recovery around the world. But political brawling in the US and the Euro zone over how to tackle government debt took its toll on financial market confidence, bringing volatile share activity throughout the usually quiet month of August.

Pessimism worsened markedly when America's credit rating was downgraded and the Euro area crisis began to affect Italy and Spain's bond markets. The risks of a recession in Western nations have now risen pretty dramatically after turmoil in financial markets caused a deep drop in consumer confidence.

Business and household optimism in the Euro area have had the worst slump since the Lehman Brothers crash of 2008.

According to the European Commission reports, most Member States recorded a drop in the economic sentiment indicators. In the EU, confidence declined notably in the industry, retail trade and among consumers.

Recent European Commission polling confirmed that confidence in the 17-member Euro zone plunged the most since December 2008.

Financial analysts talk about the danger of a self-sustaining negative spiral.

So the most immediate question troubling the financial markets is how the Euro zone governments will resolve the seemingly intractable crisis surrounding the single currency.

Against this very blurring and pessimistic background it is clear that the bedding business is also affected, although according to the various country reports, the European bedding industry is holding up reasonably well, certainly compared to a number of other business sectors.

In the past the European bedding industry has shown stamina and a lot of initiatives, creativity and a real drive for innovation. I'm sure the business will continue to do so, even more than ever before.

The winners of the future will be those corporations who can handle the consequences of a rapidly changing market and implement the strategies effectively. Without any doubt, that will take tough demands, but above all, great leadership.

Frank Verschuere
EBIA President
September 2011



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11th General Assembly of the European Bedding Industry in Sopot-Gdansk

The small Polish seaside town and spa resort of Sopot was the 2010 host of the annual forum of the European Bedding Industry. It is a picturesque tourist destination which together with the famous port of Gdansk and neighbouring Gdynia forms the Tri-City conurbation with a population of over one million. Apart from its warm, sandy beaches the town's unique character stems from the Art Nouveau townhouses and villas, surrounded by historic parks and lush gardens.

The brand new Sheraton Hotel, facing the beach and the longest wooden pier in Europe, was the venue for EBIA's yearly meeting. The hotel offers the best of meeting facilities and accommodation, which unquestionably contributed to the smooth course of the event.

In his opening speech, EBIA President Frank Verschuere cordially welcomed the many international participants and guests who chose to take part in the two-day meeting in spite of the challenging times which the entire European industry is facing. He emphasized that the often conflicting messages about the state of the EU economy certainly do not facilitate the making of forecasts and predictions.

Nevertheless, positive readings in some important markets fuel the hope that the improved economic sentiment will spread also to countries which were still unable to embark on the road to recovery and have seen their economies decline steadily. Expectations have to be cautious though and there is still a "long & winding road" ahead before reaching the pre-crisis level.

On the bright side, President Verschuere singled out the decision of the UK Bedding Federation NBF to join the ranks of EBIA, which will undoubtedly further strengthen the professionalism, credibility and image of our association. "As more than ever a European organization, EBIA will continue to strive towards



EBIA's 11th General Assembly - Sopot, Poland

further increasing consumer awareness about the importance of a good night's sleep, organizing and promoting market research to better understand the needs of our customers and contributing to an overall improved product and service offering", Mr Verschuere stressed.

The President thanked EBIA's management team for their focused and dedicated activity in the course of last year and wished all participants a good meeting, substantive talks and an agreeable stay on the Baltic Sea.

The annual report of the association was subsequently presented by EBIA Secretary General Endre Varga. In it he summarized the developments in connection with business and technical matters of particular interest, news from the European Commission, activities in the field of communication & PR, EBIA's annual Supplier Council and the daily activities of the secretariat in Brussels. Ample time was also devoted to a review of the association's finances, as well as to the analysis of the yearly statistical survey and the latest economic forecasts of the EC.

Attribution of the EBIA Award at the traditional Gala Dinner

The beautiful ballroom of the Sheraton was the venue for the evening Gala, which at this occasion was additionally graced by a folkloristic group bringing typical music and dance from the region. In conformity with past occasions, the



Guest Speaker Sessions

EBIA was pleased to contract a number of prominent guest speakers:

- ISPA's Activities & Update on the US Mattress Market' by Ryan Trainer
- Company Presentation: Naehmaschinenfabrik Emil Stutznaecker
- The Conversation Manager by Steven Van Belleghem
- 'The Impact of Scientific Sleep Studies for the Development of Bedding' by Jürgen Zullej
- 'The Power of Light for Sleep, Health and Well-being' by Luc Schlangen

evening saw also the attribution of the EBIA Award, which this time went to Prof Dr Jürgen Zullej.

Prof Zullej is the authority in Germany in the field of sleep improvement & research and is known as the "pope of sleep" in his country. He is head of a renowned sleep school in Regensburg, an institute where people with chronic sleep problems are taught ways to gradually

improve the quality of their sleep. He is also one of the prominent researchers who fully realises that there is still a gap between sleep research and the bedding industry. His foremost mission is to make people increasingly aware about the importance of their sleep. "One of the very elements of our sleep culture is a good bed", says Prof Zullej.

Companions' Programme

Amber has a long history and is derived from the sticky resin in amber-producing forests. It can be found along the seashore and has contributed to the exceptional beauty of the Polish Baltic beaches. Baltic amber is a fossil resin originating some 40-35 million years ago.

Gdańsk can be called an amber city since its name, in numerous accounts, emerges whenever amber and its origin is mentioned. The Gulf of Gdańsk is the location of the world's largest and richest amber deposits.

During the tour a visit was paid to the Amber Museum, followed by a transfer to Oliva Cathedral, where the companions enjoyed an organ recital.



Afternoon Excursion

Gdańsk - called the maritime capital of Poland - is a city with over a thousand years history. It enchants tourists with the beauty of its renaissance tenement houses and Gothic churches, with its charming, narrow medieval streets and the wealth of its museum collections. The hands of famous European architects and artists have given eternal life to the city's ages of glory.

Starting from Uppland Gate, the tour led through the so-called Royal Route, showing the most important sights and monuments of Gdańsk such as the Golden Gate, Torture Chamber, Grand Armory, City hall, Artus Court, Neptune's Fountain, and St. Mary's Church (the biggest brick church in the world). Our tour ended on Mariacka Street, one of the most picturesque and beautiful among medieval streets.

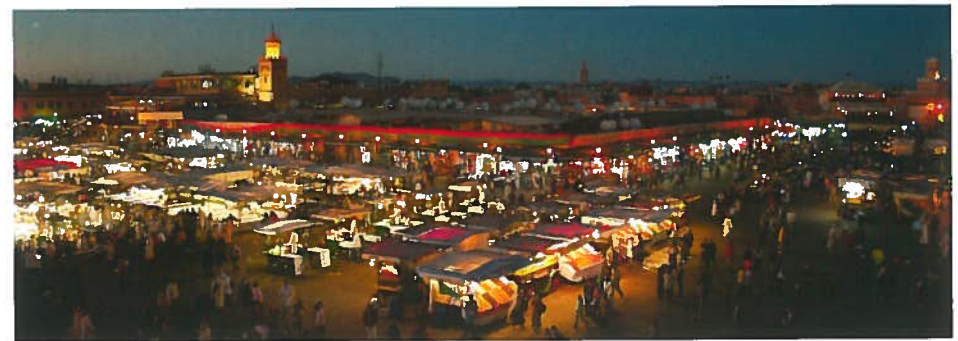
Closure of the Meeting & Press conference

In closing the 11th edition of EBIA's yearly bedding event, Mr Verschuere thanked all present for coming to Sopot, for their input in the congress and their continuous support to our organization. He expressed the hope that the delegates have spent and instructive and informative time in Poland, and have enjoyed their stay on the coast. It should be clear, he underlined, that all efforts EBIA has and is undertaking in a variety of fields are focused on one fundamental goal setting: the well-being of our European Bedding Consumer, which is no doubt also in the interest of the entire European bedding industry.

The official part of the General Assembly & Bedding Congress ended with a joint lunch at the hotel premises. Prior to it, EBIA's Management team held a press conference with journalists from different European countries who attended the open part of the annual meeting.

Marrakesh – the Imperial “Red City”

Being an oasis in every sense of the word, Marrakesh was once a beacon for the trading caravans that had driven north through the desert and navigated over the often snow-capped Atlas Mountains. Marrakesh may be Morocco's third most important city after Rabat and Casablanca, but its fabulous palaces and lush palm groves exercise a powerful hold over tourists. It has always been the place where sub-Saharan Africa meets Arab North Africa, and, even today, this market town located on the edge of nowhere remains a compellingly exotic port of call.



So much to see, so much to do...

It is practically impossible to choose amongst the many attractions of this fascinating city, but one definitely has to start with the Jemaa El Fna, the vast plaza in the heart of the medina (the old walled city). Its Night Market is absolutely unique, transforming the plaza into a circus, theatre and restaurant, with itinerant musicians, and entertainers, drawing huge crowds. The Koutoubia Mosque is a landmark monument boasting a tower that dominates the skyline. It is closed to non-Muslims, but it is an impressive sight nonetheless. The Souks are laid out in the narrow streets to the north of the central square. Different areas specialize in their own specific wares. The City Walls &

Gates of Marrakesh's medina encircle the old city by several miles of reddish-pink, dried mud walls, punctuated by some 20 entry gates. A tranquil garden hidden at the end of the narrowest of meandering passageways shelters the Saadian Tombs, the royal tombs of one of Morocco's ruling dynasties. And... there is still so much more: Medersa Ben Youssef, probably the city's finest building or the ruins of the once fabled Badii Palace. A must is a visit to the Majorelle Gardens, a shaded place of stunning beauty which was owned by the French couturier Yves Saint-Laurent. Wherever the stroll takes you, you will enjoy every inch of this fabulous city...

Winner of the EBIA Award 2011: Prof Dr Raymond Cluydts

During EBIA's 12th General Assembly which was held on 6th & 7th October at the Palmeraie Hotel & Golf Resort in Marrakesh, the association's 5th annual award was attributed to Prof. Raymond Cluydts from Belgium.

Prof Cluydts is an authority in the field of fundamental sleep research and is leading the Centre of Experimental Sleep Research at the University in Brussels. He is co-founder of the Centre for Clinical Sleep Research at the University of Antwerp and specializes in fundamental research on healthy people and epidemiological investigation of sleep disorders. A prominent researcher on the effects of sleep deprivation, he is also a founding father of the Belgian Association of Study of Sleep (BASS) and is convinced that there is a mutual interest in closely co-operating with the bedding industry. He is persuaded that a wrong mattress can affect the quality of anybody's sleep. "Old mattresses are simply not offering a stable, equal surface", says Prof Cluydts.



Activities

The time span since our last GA in Poland has seen lots of activities at the level of our management team and secretariat, as well as the Board and Committees. Hereby a concise summary of some salient issues & topics.

Business & Technical Matters

EBIA's New Market Research Study

The results of the 2011 edition of the study on European Consumers' Perceptions & Expectations towards Mattresses will be presented during the General Assembly in Marrakesh. The study covers the major European markets – Austria, Belgium, France, Germany, Italy, Spain, The Netherlands and for the first time the United Kingdom as well, the last country certainly being of particular interest to EBIA's members. The project has been commissioned to the reputed InSites agency of Ghent, Belgium, with a long experience in online consultations of this kind and which has conducted EBIA's previous (2007) study as well. In order to keep the study fully compatible with previous editions, the Marketing committee decided to stick with the existing questionnaire, with only some minor improvements.

EBIA Award 2011

In accordance with the adopted procedure, EBIA's Board of Directors has chosen the two finalists for 5th EBIA Award from a list of nominees provided to our secretariat by the member national associations. The essential aim of the Award is to distinguish a person, organization or institution who/which has substantially contributed to furthering sound

& healthy sleep and the important role of the European Bedding Industry & its products in this context. The habitual voting procedure was closed on 31st May and the secretariat wishes to thank all members who have returned their ballots in a timely fashion, allowing us to finalise all required steps according to the regular routine.

Statistics 2010

The full results and analysis of the 2010 statistical survey within EBIA's territory will be presented and commented by the secretariat at the upcoming General Assembly of the association.

Mattress Flammability

Towards the end of last year the lobby association of the fire retardants industry (ACFSE) launched – especially in the Benelux countries – a "fear-marketing" campaign with the aim of raising awareness of fire safety in consumer products among manufacturers & decision makers, as well as advocating effective fire prevention levels for certain categories of consumer products, amongst which upholstered furniture. Though EBIA already has an elaborated position paper on the issue, the Technical Committee is presently of the opinion that the recent developments demand its actualization with new, to-the-point and profound data, in order to further underscore the EU industry's position on the issue.

Technical Project

The TC feels that such can probably be achieved through the analysis of existing data sources resulting in a focused report that evaluates the various aspects of the flammability issue.

Activities

The matter was discussed in detail at the recent Board meeting held in Brussels, where it was decided to entrust EBIA's Technical Committee with the ultimate selection of the appropriate institute/expert and the determination of the exact field of research.

End-of-Life Mattresses & Recycling

The issue has become "hot" again through ever growing environmental concerns and the related drafting of national decrees & regulations in individual EU Member-States. The matter is also becoming increasingly important in the US, where ISPA is running a pilot project to evaluate the feasibility of manual & mechanical mattress dismantling through the employment of prisoners and tire shredding equipment. Important seminars were also held lately in Europe on this matter, especially with a view to comparing & evaluating the merits of product recycling versus incineration with subsequent energy recovery (EBIA favouring the latter alternative).

As the issue is growing in importance and with multiple implications, EBIA's Board is presently analyzing the developments in view of defining the best possible approach for the association to adopt in future.

Supplier Council

For the 8th consecutive year, EBIA's Supplier Council was held on 29 June last in Brussels. The meeting was very well attended and it was again a welcome opportunity to exchange information between manufacturers and suppliers on salient points of interest for all stakeholders. EBIA provided an update on the association's activities during the past year, whereas the associated members gave an analysis regarding the situation on the raw material markets, general business status, actual activities in different supply segments, innovations and gave suggestions towards EBIA.



It was agreed to continue the tradition of these reunions and hence the next meeting will take place in May or June 2012 (exact date to be determined).

Origin Marking: MEPs Vote for Country of Origin Markings on Non-EU Goods

Further to the information on the origin marking issue provided at the last GA, MEPs now state that goods imported from outside the EU should clearly state their country of origin, to help consumers make informed choices. Parliament is proposing to allow the country of origin to be indicated in English on labels of goods sold anywhere in the EU. It would also like to see harmonized penalties for breaching the rules.

While a lot of European companies have already been using "made in" indications voluntarily, the EU does not have harmonized rules on stating the origin of imported goods, except for certain cases in the agriculture sector. If the country of origin is clear, consumers can make informed choices to help guard against health risks, counterfeiting and unfair competition, says Parliament in its first reading report which has been adopted with 525 in favour, 49 against and 44 abstentions. MEPs also believe that disparities between labelling practices within the EU are leading to a situation where third countries shift their exports

towards particular European points of entry which suit them most.

The new law will apply only to goods (including mattresses) destined for final consumers, but not to products from the EU, Turkey, Norway, Iceland and Liechtenstein. Parliament also insisted that the Commission must propose minimum EU-wide penalties for infringement, to insure the rules are applied uniformly in all Member-States.

The draft law still needs to be approved by the Council, where some Member-States have voiced their oppositions to the idea of a European "made in" law. Once finally adopted by both Parliament and Council, the new rules will be applicable in all Member-States starting one year after publication in the EU Official Journal.

Arbitrary Import Duties Raised by Certain Countries on EU Products

EBIA has received reports from other related industrial federations on unjust taxes raised by China and Russia, but also within the European boundaries, on goods originating from the EU. This is in breach of the relevant WTO policy and could also affect products manufactured by our members. EBIA has therefore arranged a meeting with the officials of DG Trade and the implications of this issue will be discussed at this occasion.

Country Reports



Belgium

Total market 2010 in Belgium is flat in value and declining in volume (-10%). For the 1st year the value of boxsprings is higher than the one of slat bases. The market share of boxsprings is about 51% in value.

The Belgian Sleep Council elaborated a new marketing campaign with an adapted message "If you sleep better, you see all problems in an optimistic perspective" (before : change your mattress every 10 years).

The campaign, launched on 21st June, is animated by "Optimistic Rudy", a positive personality. A new website was created as well as new POS for the retailers. New radio spots went on the air in June as well as advertisements in the main Belgian newspapers. This will be repeated in autumn.

'Uitgeruste Rudy / Rudy Reposé' can be followed on Facebook and on twitter and in no time he had quite a number of fans.

Salut !
Je m'appelle Rudy Reposé et, à en qu'il paraît, je suis toujours super-enthousiasmé. Même quand les choses sont un peu contraires.

Pourquoi tant de joie ? Parce que j'ai un sommeil divin, naturellement ! Grâce à mon super sommier, à mon matelas de qualité et à mon oreiller mégac-confortable, je me réveille chaque jour parfaitement reposé et de bonne humeur. Et, croyez moi, un bon sommeil se ressent tout au long de la journée !

Vous voulez tout savoir pour, comme moi, prendre la vie du bon côté, toujours frais et dispos ? Alors toutes les infos présentées dans ce dépliant et sur www.rudyrepose.be sont faites pour vous ! On pense que, d'ici peu, votre sommeil sera meilleur et plus confortable que jamais !

Un bon sommeil se ressent le lendemain

www.rudyrepose.be

le conseil du Sommeil

pour en savoir plus

21 juni - Kortste nacht van het jaar

"De kortste nacht van het jaar? Dan geniet ik nóg langer van mijn dag!"

Uitgeruste Rudy.be

Een goede nachtrust voel je overdag

Wie je elke dag even enthousiast zijn als Uitgeruste Rudy? Lees zijn niet te missen slaaptips op www.uitgerusterudy.be Een initiatief van De Slaapraad

"21st June, the shortest night of the year? No problem, I will enjoy my day longer!"



France

2010/2011 was marked by the end of the mandate of President José-Antonio Gonzalez, end of September 2010; Valérie Duchaussoy, director general of André-Renault (Hilding Anders Group) was elected as his successor. The new President and the Board thanked Mr Gonzalez for his enthusiasm and the progress realised during his 3-year presidency.

The new President confirms that UFL (French bedding association) and APL (association for the promotion of bedding) will continue their actions which started years ago: information on and promotion of the bedding markets towards consumers, opinion makers, medical world and retailers.

Two major actions towards the general public

- 18th March, 11th day of sleep: a group of actors animated the stand 'Infoliterie.com' by performing pieces of comedy illustrating the main arguments of APL, i.e. change your bedding set every 10 years, replace mattress and bed base at the same time, try out the bedding set at the retailer's, choose a large mattress for a better sleep and consequently a better condition and better health.

Impact on media and consumers was good despite the bad weather.

- 18th - 25th June, promotional event KamaSommeil: Following the success of 'Gares et lits géants' (train stations and giant bedding) in 2009 and 2010, a street marketing action was organised in 9 French cities so as to sensitise the public on the effects of new bedding on comfort and health. 230.000 leaflets were distributed and a game with a prize of '365 dream nights' organised.

New in 2011: the retailers participated in the event; the consumers had to go to one of the 1400 shops member of APL to have their ticket validated.

Communication

Just as in 2009 and 2010, a major cross-media (radio/press) campaign was done

from end of August till end of November, strengthened by 60 quadri pages in the public press (magazines for women, home, health, seniors, babies, ...)

Website infoliterie.com

Constant renewal and follow-up of search engines made it possible to have more than 20.000 unique visitors per month, with a peak of 46.000 in the beginning of the year when a 'facebook' page was created.

infoliterie.com and facebook

The creation of the 'facebook' 'I love mon lit' (I love my bed) boosted the contacts on our website. It needs to be revised weekly (thus inconvenient), but it allows us to reach new consumers. At present, 'I love mon lit' has 30.000 fans ... a nice success.

Sleep & health

The study 'Actimuscle' presented to the press in January clearly demonstrates in a scientific way the improved quality of profound sleep, the decrease of the number of small wake-ups due to a new bedding set vs. a bedding set of 10 years old on, hence improvement of tone and dynamism during the day and health in general. This is an essential message which we communicate to the sales force in the shop and to the press.

Professor Damien Léger's team will conduct a complementary study.

General Assembly

The 'Pavillon Gabriel' on the Champs Elysées in Paris was this year's scene for the annual event in which 120 producers, distributors, suppliers and journalists participated (20% more than the previous years). On the agenda were the future actions, a study to motivate consumers and the health programme. The part 'sports & bedding' was illustrated by JP Dick, recent winner of the Barcelona World Race, and who has confirmed that his victory was in part thanks to the quality mattress that APL had created especially for him.

Country Reports



Germany

The last year has been both silent and turbulent for the German mattress market and industry.

Market figures

After a long and difficult period during the last years, during which the market constantly went down (approximately -5 %), the generally positive economic developments in Germany on private consumption have slowly reached our industry in the second quarter of 2011.

In general the second quarter of 2011 was the first quarter since the 2008/09 economic crisis, in which the German mattress market showed a slight recovery trend. If we compare the figure of the first 6 months in 2011 to the previous year (first half year 2010) the volume declined only by approximately -2 %, whereas the value rose by circa +2 % for the same time.

It is necessary to look very precisely into the market to get a differentiated picture about several trends. Basically the high-end mattresses sold by quality have had less problems in the market than those whose sales arguments have been price

driven. They have been struggling much more under overcapacity in the industry, pressure of prices and exchangeability of products.

On the one hand, the statistics show a severe decline for Bonnell technology in double-digit percentage range in sales, but on the other hand pocket springs could record a remarkable sales increase which more than compensated losses in Bonnell. In Germany there is a tendency to say: "The pocket spring is back - in the form of better quality".

If we have a look at latex this was a technology almost dying in Germany with severe losses over several years. A slight increase can be seen for the second quarter of 2011, nevertheless the market share is very low.

Foam mattresses are a constantly preferred product by the consumer. This technology dominates the German mattress market and is available in various qualities and combined materials.

The turbulent news is that the "Bundeskartellamt" (Federal Cartel Office) has surprisingly visited several companies in summer 2011 (most of all producers) as they are suspected to have formed vertical cartels. This means that several industry producers and retailers are said to have

artificially raised retail prices causing harm to the customer. We need to mention that the German mattress association itself has not been under suspicion and that the companies that were searched for evidence were both members of the association and non-members. Two important buying groups of the furniture industry are said to have been inspected as well. Very strange is the choice of companies involved as some smaller and medium-sized businesses are not at all in the position to impose price power without brands in an oversupplied market.

The media attention to this topic was high; the morning after these incidents (all searches in each company happened at exactly the same date and time), radio stations, newspapers such as "Handelsblatt" and so on reported on this issue.

For the German Fachverband Matratzen-Industrie we can affirm that we were always very careful to comply with the legal regulations. We can confirm that at no time during a meeting of our association price issues have been discussed; moreover, we will stop all activities that even apparently seem to be non-complying with laws and regulations.



Italy

WIND OF CHANGE IS BLOWING, GOOD SAILS ARE REQUIRED!

General View

2010: winds of change

2011: doubts and apprehension

Since the end of 2008 there was a recession in general furniture market but it did not really suffer deeply from the recession; the situation has been almost steady, no growth at all but a substantial floating on previous results.

In the mattress market we used to say "market is steady", but now we should say "the market is depressed". What is worst is that we cannot find any signals of growth, all efforts are aimed to survive this period and maintain previously reached positions.

The situation drastically changed starting mid-late 2010, offering a scenery domi-

nated by several doubts and apprehension. Consumer behaviour can be read in a simple way: 'Crisis generates fear. Fear generates defence. Defence generates need of protection.'

Whenever a safe purchase is not offered to the consumer and the purchase can be postponed, there is no purchase. A simple equation, well understood by manufacturers but not yet by the last ring of the distribution chain, namely the retailers.

Mass distribution is today offering additional services, such as delivery on the house floor, increasing warranty period, offering trial period. These organizations have understood that the consumer is looking to optimize every single cent he is going to spend. It does not mean a blind research for cheaper price; it means to obtain the maximum possible value from the available budget.

On the other hand retailers get a reduction of the sales amount and therefore they are looking to optimize profit and mark-up, reducing expenses and cutting any kind of investment.

Despite the actual current crisis, raw material costs are constantly growing; apparently the only explanation is a large financial speculation and the result is that all companies are getting a reduction in their margins, because price increases are detrimental for sales.

This situation is generating a large fragmentation of the market, which means confusion; in addition, sometimes there is a huge price gap for apparently similar products which generates exactly what should be avoided: consumer uncertainty. The top five companies in the market are hardly working to persuade retailers in changing, trying to explain them the need of change, but it is hard to find a good listener, it is easier to look for a different solution and pattern.

The way to overcome this situation is an evolutionary process, better and deeper understanding of consumer needs and global innovation: shops, exhibition, appearance, offer, service and accomplish-

Country Reports

ment of requirements and capability to offer an "emotion" to the consumer.

Technologies

Latex

Latex pays the dues! Latex is suffering more than ever: this technology is falling down. It is hard to say which will be the bottom limit. Certainly it has lost several positions, and volume is only a small percentage compared to the past. If latex used to be 20-25% of the market, today it is a doubtful evaluation saying it is around 10 to 12%.

Raw material prices grew so much in the last two years that latex was forced in front of a crossroad: decrease of quality to maintain the price and remain attractive or jump into a new evolution. However, new evolution means investments, research and additional efforts to support this technology. On the other side, the consumer's diffidence is growing due to poor quality offered in the past - even from big names - and due to opposite advice from sales persons, and consequently there is hardly room left to convince latex producers to invest more.

Only a few manufacturers, who are intending to avoid quality compromises, are leading for innovation, increase of quality, durability and performance. Distributors on the contrary are looking only for better prices and as such this segment is getting smaller and smaller.

PUR

It can represent the "lifejacket" for several manufacturers and dealers. Consumers are approaching this technology with a feeling of innovation and flexibility. The so-called "memory foam" stimulates demand and in combination with an increased demand for comfortable beds, leads to an interesting sales volume.

The main problem of this technology is intrinsic in itself: it is easy to manufacture a foam mattress because there are no entry barriers.

Each day one can find a no-brand mattress made of foam, memory and gel. It is easy to locate a supplier equipped to slice foam blocks and a supplier for covers; hence easy to assemble a no-name mattress to be sold at a low price.

Quality? A totally different case.

The market is mainly determined by 2 or 3 big names, offering innovation, quality,

real response to consumer demand, really accomplishing requirements. But it is impossible to even estimate the number of micro-manufacturers, offering what they call "similar to...". There is a total lack of culture in this technology; whilst marketing can help to dignify anything, the consumer just looks astonished to the huge price gap between a "product similar to..." and the original ... and often, apparently, there are no explanations.

The market share is around 25-30%, in constant growth since the last five years, although yearly increments are not following the same progression.

Springs

This segment is considered stable and being the basic technology for mattresses the basic price is still the lowest in the mattress market and as such affordable by the widest number of consumers.

Pocketed coils have a significant role within this segment, even though also here the number of low-quality-look-alike products is quickly growing.

Spring mattresses are still leading the market, presumably with a 50% share, which is comparable with past years.

In this segment there is a tendency to offer more premium products, some enhancements in technology and also the one-sided mattress offer is arising.

Top brands can work on finding better positioning in the top end market, although - even in this niche - no-name manufacturers are copying and sometimes really cloning the original products.

Market forecast and development

A few years ago, bedding companies were mainly concentrated into the sell-in process, trying to motivate dealers by offering them better conditions and prices. The result has been a growing price battle, based on unusual discounts on products and lowering the level of the demand.

Only a few companies started a different sales approach, by selecting distribution, qualifying dealers in different levels, targeting to fragment the market and split up sales into different channels.

Today there is a movement on the market generated by top brands, leading to a change which probably will take place during the next five years. It is a wind of change. Today manufacturers are looking into dif-

ferent channels such as web sales, franchising, flagship stores.

Traditional retail is invited to develop and modify itself into more modern retail formulas, instead of remaining stuck in the past: nowadays, a mattress can be easily bought everywhere.

Whenever a consumer is looking for a mattress, he can search for the lowest price (mass distribution), he can search for quality (brand) or he can search for the newest technology. Whatever the consumer is looking for, an offer arises. Just as an example, big department stores and discounters are presenting a large exhibition of mattresses, complete in all technologies.

Surfing any manufacturer's website, one always finds almost the same: well known information regarding sleep, postural matters and so on. Then, on product's presentation side, all are introduced as hi-tech, top quality, excellent material. All say the same!

The consumer is forced to build himself a parameter to make his choice. Difference would be made by retailers, whenever they are capable to offer more and more service, assistance and emotion.

However, we noticed that in too much cases brands must work alone. Brands must constantly communicate directly to the consumer, offering what the consumer needs: 'feel reassured and feel safe'.

On the other hand, we observe how retailers are searching for brands, but the truth is that they use brands to attract consumers and then they sell other things. The risk is an increasing distance between traditional retailers and manufacturers. The only choice left to brands is to look for a kind of "controlled retailer", which can mean franchising stores, flagship stores, joint ventures with distribution chains and so on.

The challenge is to be recognized. It means harder work on marketing, communication and advertising, in order to get consumer reassurance in asking for and selecting a brand.

This challenge will lead to higher costs and only well-structured companies will be able to afford it. Retailers will be forced to move into a different shop concept, increase service quality and develop new ideas to reach the consumers.

The challenge for the coming years is to be able to change; the wind of change is already blowing, good sails are required!



Spain

Asocama has developed a new advertising campaign for the Spanish women's leading magazines to communicate one single message: 'If your mattress is more than ten years old, you do not have mattress'.

Si tu colchón tiene más de 10 años, no tienes colchón.

Con el tiempo, los componentes que integran tu colchón pierden sus propiedades y por tanto sus cualidades. Algunas de ellas, como la firmeza y el confort, son obviamente más notables, otras, como la higiene o la acumulación de ácaros, hongos y bacterias, no. Por ello, y porque además tus necesidades de descanso han podido también modificarse, a los diez años no lo dudas, cambia tu colchón.

Asocama
Porque durmiendo bien, vivirás mejor.

ASOCAMA, fundada en 1985, es la Asociación Española de fabricantes de equipos de descanso. Entre sus objetivos figura el velar por la calidad y contribuir a la mejora de la cultura del descanso.

www.asocama.es



Asocama shows potential consumers that investing in new bedding sets has a quick benefit, which is directly related with health and hygiene. The advertising campaign in June and July, i.e. one of the mattress sales peak seasons, has had more than 30 million impacts on target. The redesigned website (www.asocama.es) has a clear mission: help end consumers understand the importance of mattresses.

Asocama also sends numerous press releases on issues such as allergies, sleeping and productivity, sleep in the hot season, etc..., and of course, on mattresses, beds and pillows.

Dormir bien es vivir mejor

Recuerda siempre que... pasados 10 años ningún colchón conserva sus cualidades originales, por lo que debe ser sustituido.

Compra tu colchón en un punto de venta especializado, es una garantía de calidad.

Todos los colchones cuentan con la garantía europea obligatoria de dos años.*

Consejos para un sueño de calidad
Guía de productos
¿Necesitas cambiar de equipo de descanso?
FAQ
Estudios
Sal de prensa
Compañías
¿Quiénes somos?



The Netherlands

The figures from the 'Centraal Bureau voor de Statistiek' (CBS - Central Bureau of Statistics) show that the Dutch economy has grown by 1.5% in the 2nd quarter of 2011, i.e. an increase of 0.1% compared to the 1st quarter. In the 1st quarter the economy still grew by 1.7%, hence, the growth is decreasing and goes along with an employment that has risen by 5% in the 1st quarter and by 5.3% in the 2nd quarter, meaning that another 47.000 people no longer have a job.

Consumers

The Dutch consumer is one of the main reasons for a decreasing growth. A num-

ber of important factors influencing the consumer's confidence are continuously attacked by the remaining crisis. House prices have decreased whereas the prices of 'frequent' household items have increased, thus taking more and more from the household budget. Figures from the CBS clearly show that the prices for food and fuel have increased twice compared to prices of e.g. electronics and other (durable) consumer goods. The CBS confirms that this increase is insufficiently taken into account upon calculating the inflation figures. As a lot of salaries are corrected by means of this inflation figure, a large number of household budgets have been 'negatively' influenced in the past years. The uncertainty and the decreasing purchasing power lead to fewer investments

in durable consumer goods. Largely 6% less mattresses were sold in 2010 compared to 2009. Moreover, this trend has not been reversed in 2011; on the contrary, almost 8% less mattresses were sold in the 1st half of 2011, thus accounting for a turnover decrease of 8.2%.

Future

The 'Centraal Planbureau' (CPB - Central Planning Bureau) expects a moderate economic growth for the rest of this year, to which the consumers will hardly contribute. As the expenses for basic consumer goods have enormously increased, the total expenses will slightly increase, but investments in durables such as mattresses will continue to decrease.



Looking forward to meeting you again at the 13th General Assembly of the European Bedding Industries' Association in 2012!



Following the exotic detour to the warm regions of the African continent, EBIA's Board decided to resolutely point the compass to the North, and, not surprisingly towards the United Kingdom and its attractive historic cities. So, the 2012 venue for our General Assembly will be the enchanting town of... Edinburgh! A beautiful place for a break in autumn, easy to reach and with a wonderful menu of things to see and do... you will be spoilt for choice.

A warm welcome to all of you on 13th & 14th September!

