

# Tempur-Pedic Struggling to Grow Share Amid Lower-Price Competitors

Companies: SCSS, TPX

September 25, 2013

## Research Question:

**Is Tempur Sealy continuing to lose market share to competitors' foam mattresses?**

## Summary of Findings

- [Tempur Sealy International Inc.](#) (TPX) is struggling to grow its market share amid competitors with lower price points.
- The foam mattress trend continues to grow. Eleven of 16 sources reported year-to-year third-quarter growth in foam mattress sales, compared with only four sources reporting increased sales of coil mattresses for the same period.
- Of the 11 sources reporting higher sales of foam mattresses, only six said Tempur Sealy's [Tempur-Pedic](#) had posted sales growth during the third quarter year to year.
- Tempur Sealy holds an average 18% of sources' floor slots. During the past six months, the company's floor space has increased at six stores, remained the same at seven stores and decreased at one store. Two sources did not comment.
- Two sources said Tempur Sealy's summer discounts were its most generous offers yet. The company promoted a \$300 gift card or a free twin-size mattress with a larger mattress purchase of \$2,000 or more.
- One source said Tempur Sealy's marketing campaign has done little to distance it from the competition.
- One source said mattress sales may slow in line with home sales as a result of rising home interest rates.

## Background

Twelve of 17 sources for Blueshift Research's [June 13 report](#) said foam mattress sales had increased 5% to 15% during the second quarter year to year; only one source reported a decrease in foam sales. Tempur Sealy's new [Tempur-Choice](#) mattress was expected to receive two slots in most sources' stores, primarily starting in June.

However, Tempur Sealy's [second-quarter earnings call](#) provided evidence of less demand for its products, mainly from its [Tempur-Simplicity units](#). Sales fell 4.6% in North America and 2.3% internationally year to year. Tempur Sealy cut its full-year guidance in light of lower demand for its older products, the lack of its usual July 4 lift, and its slower-than-expected rollout of the Tempur-Choice line. The company also stated it will ramp up advertising efforts during the second half of 2013.

The latest bedding barometer shows innerspring mattress units and dollars spent rising 1.4% and 6.1%, respectively. They have [outpaced](#) specialty mattresses, for which sales fell 5.6% and 4.8% for the first half of 2013. The greater availability of hybrid mattresses paired with the uncertain economy has prompted consumers to trade down at the cost of memory foam and specialty sleep brands such as Tempur Sealy.

## CURRENT RESEARCH

In this next study, Blueshift assessed whether Tempur Sealy would be able to grow its market share amid the rise of competitors offering lower price points. We employed our pattern mining approach to establish two independent silos comprising 16 primary sources (including five repeat sources) and three relevant secondary sources focused on a decline in first-time home buyers and Tempur Sealy offering more discounts during the last two months:

- 1) Mattress stores (16)
- 2) Secondary sources (3)

## Next Steps

Blueshift Research will revisit sources to see if their mattress sales have been influenced by rising home interest rates. We also will monitor Tempur Sealy's promotions and discounts, which reached an unprecedented level this past summer. Finally, we will determine if the [Sealy gel memory line](#) can help Tempur Sealy compete with Serta's iComfort.

## Silos

### 1) MATTRESS STORES

Of these 16 sources, the ratio was nearly 3-to-1 for those reporting an increase in foam mattress sales compared with those citing sales growth in coil mattresses for the third quarter year to year. Foam mattress sales rose approximately 10% for most of the 11 sources reporting an increase but reached as high as 25% for two others. Sales of Tempur Sealy mattresses increased 5% to 15% for five sources and 30% for a sixth. The company's third-quarter sales fell for three sources, with two specifying a 10% to 15% decline year to year. Customers still consider Tempur Sealy a premium brand but find the company's price points hard to swallow. Tempur Sealy offered its most generous discounts yet this summer, according to two sources, who said the company promoted a \$300 gift card or a free twin bed with the purchase of a mattress priced at \$2,000 or higher. One source fears rising home interest rates could slow the housing market and, subsequently, mattress sales. Another said Tempur Sealy's marketing campaign has done little to distance the company from its competition.

### KEY SILO FINDINGS

#### Sales

- 3Q foam mattress sales rose 10% yy for most of the 11 reporting an increase; 1 reported flat sales and 1 a decrease. 3 had no comment.
- 3Q coil mattress sales rose 10% to 25% for 4 sources, were steady for 8 and decreased slightly for 2; 2 had no comment.
- TPX's 3Q sales rose mostly 5% to 15% yy for 5 sources and 30% for a sixth source, were flat for 1 source, and decreased 10% to 15% for 2 sources (who still reported greater demand for foam mattresses) and an unspecified amount for a 3<sup>rd</sup> source. 6 sources had no comment.

#### Customer Preference

- TPX still is viewed as a premium product, but its price point is a deterrent.

#### Market Share/Competition

- TPX holds approximately 18% of sources' floor slots.
- Over the past six months TPX has gained slots at 6 stores, maintained slots at 7 stores and lost slots at 1 store; 2 sources had no comment.
- Advent International Corp.'s [Serta](#) and [Simmons](#), and Tempur Sealy's own Sealy are preferred by customers for their lower price points.

#### Pricing

- Over the summer TPX offered a free twin bed with the purchase of its mattresses priced at \$2,000 or higher.
- TPX also offered \$300 gift cards with purchase.
- TPX remains strict about stores offering discounts. All promotions must come from TPX corporate.
- 2 sources said TPX discounts offered this summer were the most generous they have seen from the company.

#### Other

- 1 source said slowing housing sales also may slow mattress sales.
- 1 source said TPX's marketing campaign does not differentiate it from the competition.

# Tempur Sealy International Inc.

## 1. Sales associate for Raymour & Flanigan, major East Coast suburb; repeat source

Despite offering its most aggressive deals yet, Tempur Sealy continues to lose market share to a growing field of competitors. Comparable third-quarter sales are up 10% to 15% for coil, 5% to 10% for memory foam and 5% for Tempur Sealy year to year. The store increased its overall slots from 57 to 73 in early summer; Tempur Sealy still has the same 10 slots it had a year ago. Customers recognize Tempur Sealy as a higher-priced, better-quality brand, but they are often just as happy with another mattress. Mattress sales received a 15% to 20% sales boost quarter to quarter, thanks to various summer deals. One of them was Tempur Sealy's free twin bed with the purchase of a mattress over \$2,000. The deal gave Tempur Sealy sales a modest 5% to 10% boost compared with the second quarter.

### Sales

- "Mattress sales have increased because there's a lot of new technology coming out such as gel mattresses and different hybrids of spring and gel and memory foam. That's been giving customers more options, so they're more likely to leave the store having found what they wanted in a mattress."
- "Coil mattress sales are up by 10% to 15% this third quarter compared to the last third quarter."
- "Memory foam mattress sales are up 5% to 10% so far in the third quarter compared to this time last year."
- "Tempur Sealy sales are up 5% so far year to year."
- "From the second to the third quarter, Tempur Sealy sales were up at least 5% to 10%. But across the entire bedding department, they probably increased 15% to 20%."

### Customer Preference

- "Most customers know the Tempur Sealy brand and recognize that if they're buying one of their mattresses, they're paying extra for better quality. That said, it's often a matter of preference. A lot of customers are just as happy with something else."

### Market Share/Competition

- "Out of 73 slots total, 10 are for Tempur Sealy—plus one extra for Tempur Sealy's promotional twin beds, which we're going to be getting rid of soon. The promotion began in late June and ended last week." (See "Pricing" for more information.)
- "We have had the same number of Tempur Sealy slots for at least a past year, but the number of slots overall has increased a lot since early summer. I think we've added at least a dozen slots." (In May, this store reported having 57 slots total.)
- "I don't know of any brands that are taking market share from Tempur Sealy. I don't really see Tempur Sealy taking market share from somebody else."

### Pricing

- "Over the past three months, we ran big promotions for a bunch of different mattresses in our store, which is what pushed sales up so much across the board. The last two months have been the biggest two months for sales as long as I've been here."
- "Tempur Sealy's promotion this summer was the most generous I have ever seen from that company, hands-down. Typically they might throw in a free \$100 pillow, but this time they were giving away a free twin-size mattress with a purchase of any Tempur Sealy mattress over \$2,000."
- "[The promotion] definitely helped Tempur Sealy's sales but probably not as much as they wanted. Most people who came after hearing about all the discounts seemed more interested in other brands and didn't want an extra Tempur Sealy twin."
- "The promotions from other mattress companies were a little more standard—a free big spring or maybe a couple hundred dollars off with the purchase of a mattress. Tempur Sealy's was probably one of the best in the store this summer, if not the best."
- "I don't know if Tempur Sealy did a bigger promotion because they're losing sales or because there were just more people out there looking for bedding this summer and they wanted a piece of that business."

### Other

Tempur Sealy's promotion this summer was the most generous I have ever seen from that company, hands-down. ... Giving away a free twin-size mattress with a purchase of any Tempur Sealy mattress over \$2,000. ... [The promotion] definitely helped Tempur Sealy's sales but probably not as much as they wanted.

*Sales Associate, Raymour & Flanigan  
Major East Coast Suburb*

# Tempur Sealy International Inc.

- Store observations: The mattress showroom was set up in three sections in the warehouse-style store. Tempur Sealy slots were in a carpeted bedroom-like middle section (the same as in our June report) as well as one temporary slot for a twin bed promotion, which has since expired. The store was not busy on a weekday evening.

## 2. Manager for Raymour & Flanigan, major East Coast city

Tempur Sealy remains a stalwart in the mattress industry and reliably posts modest sales growth every year. Comparable third-quarter sales rose 10% for coil mattresses, 10% for memory foam and 5% for Tempur Sealy year to year. Growing interest in memory foam is boosting category sales, but coil mattress makers are staying competitive by incorporating new technologies like cooling gel into hybrid models. Tempur Sealy's popular [Breeze collection](#), introduced last fall, has driven much of the company's sales growth over the past year at this store. The only mattress that poses any threat is [the iComfort](#) by Advent International's Serta, a comparably high-quality mattress at a lower price. Tempur Sealy has held eight of the store's 45 slots for at least the past year. Its summertime offer of a free Simplicity twin with the purchase of a mattress was part of an effort to clear out inventory of its lower-end Simplicity mattresses, which did not sell as well as expected. The phaseout probably means Tempur Sealy is gearing up for the launch of its next mattress line.

### Sales

- "Coil mattress sales are up 10% so far in the third quarter compared to the same time last year."
- "Sales are up because a lot of coil mattress companies are revamping their mattresses into hybrids with new things like a gel-infused foam layer on top. And they've been doing more advertising, so customers are becoming more interested."
- "The coil guys are taking notes and learning things from the memory foam people and offering more 'fusion' or 'hybrid' mattresses."
- "Memory foam mattress sales are up by about the same amount—10%—so far in the third quarter compared to this time last year."
- "The increase comes from the fact that there's more awareness of memory foam and the sleep benefits of memory foam. Or customers are curious about memory foam. Or they've been unhappy with their coil mattress and want to try something different."
- "Tempur-Pedic sales are up by 5% or less so far in the third quarter compared to a year ago at this time."
- "Tempur Sealy sales went up a little from the second to the third quarter, along with our overall mattress sales. But I couldn't say how much. It wasn't a big jump."
- "One thing that has boosted Tempur Sealy sales over the past year was the [fall 2012] release of its Breeze collection. A lot of people who owned older versions of Tempur mattresses have been upgrading to the Breeze version a lot this year."

The only brand that might be taking share from Tempur Sealy is iComfort by Serta, which is the closest to Tempur Sealy in terms of how it feels but usually costs a little less.

*Manager, Raymour & Flanigan  
Major East Coast City*

### Customer Preference

- "It's apples and oranges comparing Tempur-Pedicto other memory foam mattresses. They're totally different. Tempur-Pedichas a much fuller, denser feel that some people swear by. If a customer already owned a Tempur-Pedic, they're usually not switching to another kind of memory foam."

### Market Share/Competition

- "The other stores have more than we do because we're a smaller store, but we still have the full line of Tempur Sealy."
- "We have 45 beds in the showroom, and seven are regular Tempur Sealy slots, plus one that we have for the super-luxury [GrandBed](#) by Tempur Sealy, which we display right when you walk in. Those numbers have not changed in the past year at least."
- "The only brand that might be taking share from Tempur Sealy is iComfort by Serta, which is the closest to Tempur Sealy in terms of how it feels but usually costs a little less."
- "For the most part, though, Tempur is Tempur. It doesn't have much serious competition because it's in a category of its own. Whoever comes for a Tempur is not getting anything else."

### Pricing

# Tempur Sealy International Inc.

- “From June until early September, Tempur Sealy had that promotion where you got a free Tempur-Simplicity twin when you bought a Tempur Sealy mattress set.”
- “I don’t think it was a sign they were in trouble. I think they were just trying to deplete whatever inventory they have left of the Simplicity, probably in advance of rolling out a new mattress.”
- “Every eight months or so, Tempur Sealy comes out with a new mattress, and they are past-due to introduce another one. I think the promotion was a clearance effort for the Simplicity.”
- “The Simplicity was their lower-grade mattress, and it was not totally consistent with the other mattresses they make in terms of quality. It was a less-dense memory foam and didn’t sell as well as their other mattresses.”
- “Tempur Sealy wanted to see what would happen if they offered a lower price point, but it didn’t do so well. I think they’re trying to get rid of it now.”
- “Most of the other summer promotions are already over. They were a little more typical of what we’re used to seeing—discounts on box springs or free pillows.”

## Other

- “Tempur Sealy is a brand that has been consistent in having slow and steady growth. Their sales don’t really swing up or down too drastically. They always go slightly up, up, up. They are very stable.”
- “Other brands are less stable. Simmons and Sealy, for example, tend to be less consistently upward in their sales. The Sealy brand didn’t do well last year.”
- “It’s not so much about the price anymore, it’s about the comfort. People are more educated about mattresses and they know it’s a big investment, so they would rather do it right the first time.”

### 3. Sales associate for [Sleepy’s](#), a suburb of a major East Coast city

Tempur Sealy’s high-end mattresses continue to “sell themselves.” Year-to-year sales for coil, memory foam and Tempur Sealy mattresses are all flat. Tempur Sealy, like other brands, saw a seasonal lift in third-quarter sales as people moved into new homes or college dorms in August and September. Most customers prefer Tempur-Pedic over competitors’ memory foam mattresses, but Tempur-Pedic’s price point is a concern for some. The source has not observed any brands gaining or losing share. For the past year at least, Tempur Sealy has had 11 of the store’s 61 slots. Tempur Sealy’s summer promotion of a free twin mattress with the purchase of a larger mattress was unprecedented for the company but should not be viewed as a sign of slow sales or other problems.

## Sales

- “I have not seen any difference in sales year to year for any kind of mattress, whether it’s coil, memory foam or Tempur Sealy.”
- “Sales for all mattress types have been stable year to year.”
- “From the second to the third quarter this year, sales of all types of mattresses, including Tempur Sealy, increased, but that’s just because sales are seasonal. You’ve got a lot of people moving into new apartments or buying mattress for college in August and September.”
- “I read that they just raised the interest rates on home loans, so maybe that will hurt our sales a little in the near term. If people aren’t buying homes as much, they aren’t buying mattresses as much either.”

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## Customer Preference

- “The overwhelming majority of customers prefer Tempur-Pedic memory foam to competitors’ memory foam. I don’t know if it’s because of the superior quality or just better marketing, but Tempur-Pedic has always been viewed as the gold standard of the industry. Everything else is going to seem like a knockoff. Whether everyone can afford a Tempur-Pedic is another question.”

*Sales Associate, Sleepy’s  
Major East Coast City Suburb*

## Market Share/Competition

- “We have 11 slots for Tempur Sealy, including one for a twin-bed promotion that has expired, out of 61 slots total. It’s been the same number of slots, both for Tempur Sealy and overall, for at least the past year.”
- “I couldn’t say whether one mattress brand is gaining or losing market share. I sell so many different brands to so many different people, it’s impossible to keep track.”

## Pricing



# Tempur Sealy International Inc.

- “Tempur Sealy had the same promotion for every retailer this summer where it offered a free twin mattress with the purchase of a queen or bigger. It was definitely a first for them, but maybe they’re just trying something different after buying Sealy [earlier this year]. I don’t think it’s a sign that Tempur Sealy is in trouble. Their mattresses are still selling as well as they’ve always been.”
- “I am not sure how much Tempur Sealy needed to do that promotion this summer. ... Their mattresses sell themselves, with or without discounts.”

## Other

- Store observations: The store had 61 mattresses in its showroom, including 11 Tempur Sealy mattresses grouped together against the wall halfway into the showroom. One employee and no customers were present during Blueshift’s weekday evening visit.

## 4. Sleepy’s manager, a suburb of a major East Coast city

Tempur Sealy’s sales are growing, thanks to aggressive summer promotions, and its market share is not under threat, at least for now. Comparable third-quarter sales have been flat for coil mattresses year to year, but are up 5% to 10% for Tempur Sealy and up 10% for memory foam mattresses in general, thanks to a growing selection of foam mattresses that has sparked greater customer interest. Tempur Sealy’s sales leapt 20% to 25% from the second to the third quarter, thanks in large part to a limited-time offer of 60-month financing. Also driving quarter-to-quarter sales growth was Tempur Sealy’s summertime offer of a free twin mattress with the purchase of a mattress set priced at \$2,000 or more. Of this store’s 30 slots, Tempur Sealy has five—the same number as six months ago but up from four slots a year ago. Gel-infused mattresses are the latest craze and have gained popularity at this store, including new offerings by [Gemma](#) and Classic Brands LLC’s [Sleep Options](#), but they have yet to take market share from Tempur Sealy.

## Sales

- “Coil mattress sales have been about the same this quarter as they were in the third quarter of last year.”
- “Memory foam mattress sales are up about 10% compared to this time last year.”
- “The main reason memory foam sales are increasing is that there are more options than before. Customers who come into the store see more memory foam mattresses and are asking more questions. And because we are trained to give them proper answers, the education behind it sparks greater interest in what memory foam does and what it can do for them. They become more willing to try it—and more likely to buy it.”
- “Memory foam mattresses are becoming more recognized for their quality over coil mattresses, and with the economy improving, people have a little more money to spend for a good night’s sleep.”
- “Tempur Sealy mattress sales are up 5% to 10% compared to this time last year. They got a big boost over the summer because of a new financing options and a promotion where you got a free twin bed. From the second to the third quarter, Tempur Sealy sales probably went up at least 20% to 25%.”

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*Manager, Sleepy’s  
Major East Coast City Suburb*

## Customer Preference

- “People tend to view Tempur-Pedic as the best mattress out there.”

## Market Share/Competition

- “Tempur Sealy has five slots out of 30 slots total in the store. Six months ago, it was the same: five slots out of 30. A year ago, though, I think Tempur Sealy had four out of 30.”
- “The new trend is mattresses that infuse gel with memory foam to give you a cooler night’s sleep. It’s an enhancement. We have been carrying more of those gel-infused mattresses this year. We got the Gemma [mattresses] as well as some more Sleep Options mattresses with gel-infused memory foam. But I don’t see any of those competitors taking away market share from Tempur Sealy, at least not yet.”
- “With all the promotions this summer, Tempur Sealy probably took away sales from other mattresses. But I don’t know if it’s been gaining market share over the long term.”

## Pricing

# Tempur Sealy International Inc.

- “This quarter has been very good for Tempur Sealy. The company ran a big promotion where you got a free twin-size mattress with the purchase of a larger mattress. Not only that, but Tempur Sealy was also offering 60-month financing, which is something I have never seen them do before either.”
- “The 60-month financing is really what did it for people. I can think of at least three customers off the top of my head who, if they didn’t have five years to pay it off, would not have bought a Tempur Sealy.”
- “We were running different promotions for other mattress this summer too, so what would happen was people would come in thinking they were going to buy a \$499 mattress and ended up buying a \$3,000 [Tempur-Pedic] mattress because they loved the feel and the financing option made it affordable.”
- “The financing absolutely helped boost sales of Tempur Sealy.”

## Other

- Store observations: The five Tempur Sealy mattresses were located near the entrance of the second floor alongside a rack of Tempur Sealy pillows opposite a row of Serta and [Posturepedic](#) (Tempur Sealy) mattresses. No customers were present during Blueshift’s weekend afternoon visit.

## 5. Store manager for [Bassett Furniture, Georgia](#); repeat source

Sales of Tempur Sealy are up 10% year to year. The company’s Sealy brand has been the store’s biggest seller during the last six months, but only one in five customers will pick the Tempur-Pedic brand. Discounts have risen. This store’s slots dedicated to Tempur Sealy have decreased from seven to six since June.

### Sales

- “Our coil mattress sales haven’t changed compared to last year, so they are the same.”
- “The memory foam mattress sales are up 5% over last year.”
- “Our second- and third-quarter sales for Tempur Sealy are up over last year by 10%.”

### Customer Preference

- “I’m not sure what the customers’ opinions are of the competition. Usually they come in here looking for Tempur Sealy, and we don’t carry any of their competitors.”

### Market Share/Competition

- “We have six slots for Tempur-Pedic in our store, with a total of 15.”
- “The number of slots for Tempur-Pedic has remained the same.”
- “In the past six months we have probably sold more Sealy products. One out of five customers will pick Tempur-Pedic. The customers that go with the competition state the Tempur-Pedic as too expensive.”

### Pricing

- “I’ve seen more sales than last year, different sales but more frequent.”

### Other

- This store has decreased its slots dedicated to Tempur Sealy from seven to six since June.

## 6. Store manager for [Mattress Firm, Georgia](#); repeat source

Third-quarter sales have risen 15% for Tempur Sealy and 10% for overall foam mattresses year to year. Coil mattress sales are down 2%. Although Tempur Sealy is recognized for its superior quality, customers choose competitor mattresses 3-to-1 because of price. Discounting has increased year to year. This store has increased its Tempur-Pedic slots from 11 to 13 since June.

### Sales

- “Coil mattress sales are down about 2% over this time last year.”
- “We’ve had a 10% increase in memory foam sales compared to the third quarter last year.”
- “Our Tempur Sealy sales are up by 15% for the second and third quarters compared to the same periods last year.”

### Customer Preference

- “The customers say that Tempur Sealy is more expensive than the competition, but they also know it is a better quality mattress. Three-to-1 pick the competitor mattress based on price.”

### Market Share/Competition

# Tempur Sealy International Inc.

- “There are 13 slots for Tempur Sealy here now and a total of 42.”
- “We’ve increased our slots for Tempur-Pedic by four beds because we got in new styles.”
- “The competition is definitely not taking share from Tempur Sealy, and it hasn’t over the past six months.”

## Pricing

- “I’ve seen more discount than a year ago. Free box springs, mattresses, pillows—they will do anything to drive customers to the stores.”

## Other

- This store reported 11 slots for Tempur Sealy in June but now has 13 for the company.

## 7. Store manager for [Atlanta Mattress](#), Georgia

Tempur Sealy sales have dropped 10% year to year despite this store’s 20% sales growth for coil and foam mattresses. Four out of five customers select competitors over Tempur Sealy. Serta in particular has taken share during the past six months. The source had not noted any discounting or incentives.

## Sales

- “Over this time last year, our coil mattress sales are up by 20%.”
- “Same with our memory foam mattress sales—up by 20%.”
- “Tempur Sealy sales are down by 10% compared to this time last year. The second quarter this year compared to last year, our sales are down 10%.”

## Customer Preference

- “They seem to go to Serta because of the price of the Tempur Sealy. Out of five customers, four will pick the competitor.”
- “Mostly when they choose the competitor, it’s due to the high price of the Tempur-Pedic. However, Serta uses a cool gel technology that Tempur Sealy doesn’t. Customers hear from a friend that their Tempur-Pedic is too hot so they look for another brand.”

## Market Share/Competition

- “We have seven slots for Tempur Sealy here now and a total of 49.”
- “In the last six months we increased our Tempur slots by two.”
- “Serta has definitely taken market share from Tempur Sealy in the past six months.”

## Pricing

- “I have not seen any discounts or incentives now or in the past six months.”

## Other

- “I’m hearing that Tempur Sealy is coming out with memory foam mattresses that have the cool gel technology, but we don’t have any in our store at this time.”

They seem to go to Serta because of the price of the Tempur Sealy. Out of five customers, four will pick the competitor.

*Store Manager, Atlanta Mattress  
Georgia*

## 8. General manager for [Mattress Plus](#), Georgia; repeat source

Tempur Sealy’s third-quarter sales have increased 30% year to year, but customers do have objections to the company’s price and four out of five will choose the competition. Coil mattress sales have remained the same, but foam sales are up 5% to 10%. This source said all mattress firms go back and forth in taking market share.

## Sales

- “Sales are the same as last year for the coil mattress.”
- “For the third quarter compared to last year, our foam mattress sales are up 5% to 10%.”
- “This year’s third-quarter Tempur Sealy sales have increased in the past few weeks, so I’d say a total increase of 30% over last year.”

## Customer Preference



# Tempur Sealy International Inc.

- “Customers are still bringing up the issue of Tempur Sealy being too hot and expensive. People are price-conscious and want a good product but don’t want to spend a lot. Four out of five customers will pick Tempur-Pedic’s competitors.”

## Market Share/Competition

- “We have a total of 40 slots in our store, with Tempur Sealy taking 11 of those slots.”
- “Our number of Tempur Sealys has increased over the past six months by three.”
- “I think the mattress firms share the market. One time someone will take market share, and then it will be another company.”

## Pricing

- “Recently, iComfort offered free twin-bed box springs, but as for major discounts they only offer those once in a while.”

## Other

- In the June report, this store’s sales reportedly rose 1% for coil mattresses and were flat for foam mattresses. More recent sales of foam mattresses have grown 5% to 10%.

## 9. Store manager for [Mattress USA](#), Georgia; repeat source

Although overall third-quarter sales are up 25% year to year, Tempur Sealy sales have fallen 15% because customers do not see enough difference between it and its competitors. Customers opt for a competitor 4-to-1. Simmons has taken market share from Tempur Sealy during the last six months.

## Sales

- “Our coil mattress sales are better than this same time last year by 25%.”
- “Memory foam mattress sales are up 25% over this time last year too. In fact, overall our sales are up.”
- “Tempur Sealy sales for the second and third quarters of this year compared to last year are down 15%. It’s because their prices are high and their advertising these last few months has sucked.”

## Customer Preference

- “The customer isn’t seeing enough difference between Tempur Sealy and their competitors. For our customers, it’s 4-to-1 that they will buy the competition.”

## Market Share/Competition

- “We have four slots for Tempur Sealy in our store, with a total of 48 slots.”
- “The four slots is the same number we had six months ago.”
- “In the past six months, Simmons’ [ComforPedic](#) has taken market share from Tempur Sealy.”

## Pricing

- “Discounts are the same as this time last year. Everyone is offering something. The competition is selling their mattresses below the listed price.”

## Other

- N/A

Everyone is offering something. The competition is selling their mattresses below the listed price.

*Store Manager, Mattress USA  
Georgia*

## 10. Manager for an [American Mattress](#) store, Chicago

Competitors, especially Serta’s iComfort series, continue to pull sales from Tempur Sealy. Since its introduction, iComfort has taken 50% of Tempur-Pedic sales at this store. The source’s company saw overall summer sales fall 10% to 15% year to year. The store sells more coil mattresses but posts higher dollar sales for foam because of the latter’s price points. The Tempur-Simplicity line failed terribly and may be pulled; retailers are selling off their inventory. Tempur Sealy holds seven slots out of 35 while iComfort has eight. The manager is interested in adding the Tempur-Choice line to the floor this year.

## Sales

# Tempur Sealy International Inc.

- “Tempur Sealy is continuing to lose market share to its competitors. One answer was the Simplicity line, which did not meet expectations. Now they are chasing [Select Comfort Corp.’s/SCSS] [Sleep Number](#) with the Choice mattress. Other than that, they have not done all that much to stay competitive.”
- “We are definitely down in Tempur sales since last summer; around 10% to 15% companywide would be my guess.”
- “It did not take long for Tempur-Pedic sales to drop once Serta introduced the iComfort series. Its effect was almost immediate as people started buying iComforts as soon as they came out.”
- “Volume-wise, we sell more coil mattresses, but in terms of sales dollars foams do better than coil since foams are double the price.”
- “Last year was one of our biggest for our company in terms of sales. 2012 was great for us. 2013 has not been as great.”
- “Our city stores have had a rougher second quarter than our suburban stores. It is not terrible, but it is for sure not as busy as a year ago.”
- “This year, overall, all sales are down compared to last year for the second and third quarters.”
- “Coil mattress sales are nearly even with foam. We probably sell a bit more coil than foam just because of the price difference. Out of 10 mattresses sold, six are coil and four are memory foam.”
- “The Tempur-Simplicity line did awful. It was a failure. They are telling us to get rid of them. My gut feeling is they are going to drop the line.”
- “Serta has done a much better job improving their coil product than Sealy or Simmons. The [Serta iSeries](#) and [Perfect Sleeper](#) mattresses are great and among our top sellers.”
- “There is no specific reason we are down this summer compared to last. Other retailers in the city ... are down compared to 2012 as well.”

The Tempur-Simplicity line did awful. It was a failure. They are telling us to get rid of them. My gut feeling is they are going to drop the line. ... Tempur Sealy would have to totally drop prices in order to hold back the growing competition. But they are not going to do that because it would sacrifice the quality that they are known for.

*Manager, American Mattress Store  
Chicago*

## Customer Preference

- “Tempur-Pedic is the Cadillac when it comes to memory foam. Their customers are very loyal.”
- “iComforts are now selling almost as often at Tempur-Pedic. Often times, it is not even about the cost at the customer could afford Tempur-Pedic. They just like the feel of the iComfort better. It feels more like a traditional mattress compared to Tempur-Pedic.”
- “When they try it, customers really like memory foam versus coil, which is more affordable.”
- “Often times though, customers only have \$600 to \$700 to spend and not \$1,300, which is about the lowest price for an iComfort. A Tempur-Pedic mattress is almost double that. That is why we end up sell more coil units than foam.”

## Market Share/Competition

- “Tempur-Pedic currently holds seven slots in our store. We don’t have the Choice mattress on the floor as our space is limited. But I like it and want to make room in the store for it. It is better than the Sleep Number bed.”
- “Serta’s iComfort holds eight slots in our store. We have about 35 slots on our floor.”
- “The only change we made on our floor this summer was adding in two [iComfort Directions](#) mattresses.”
- “Tempur-Pedic has definitely lost share to their competitors. At our store, iComforts now sell as often as Tempur-Pedics. It is about 50/50. iComforts have taken nearly half of Tempur-Pedic sales here.”
- “There is also more competition [for us] out there than a year ago.”

Tempur-Pedic has definitely lost share to their competitors. At our store, iComforts now sell as often as Tempur-Pedics. It is about 50/50. iComforts have taken nearly half of Tempur-Pedic sales here.

*Manager, American Mattress Store  
Chicago*

## Pricing

- “Tempur Sealy would have to totally drop prices in order to hold back the growing competition. But they are not going to do that because it would sacrifice the quality that they are known for. They are stuck between a rock and a hard place.”
- “I have not seen any discounting trends. The discounts are pretty much the same as last year: a lot of in-store credit offers and promotion product like pillows and mattress pads.”

## Other

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- N/A

## 11. Sales associate for a regional furniture store, Milwaukee

Tempur Sealy continues to reign as the top-selling brand. Its Tempur-Pedic sells itself even with temporary distractions from a competitor's "next, new thing." Out of every 10 foam mattresses sold, six are Tempur-Pedics and four are mixed competitors. Also, seven of every 10 mattresses sold are foam and three are coil. Foam sales continue to build, thanks to adoption by institutions such as hospitals and long-term care facilities. Sales for Tempur Sealy and for coil sales in general have been flat compared with the second quarter. Eight of the 50 mattresses on the floor are Tempur Sealy product; the store added the Tempur-Choice collection this July.

### Sales

- "Tempur-Pedic is still on top. The completion cannot catch up to them no matter what they do."
- "Out of 10 foam mattresses I sell, six are Tempur-Pedics. The other four are some form of a foam mattress from their competitor."
- "Out of 10 mattresses sold, seven are foam material and the other three are coil. There are some people out there that do not want to change to foam. They want coil, and that is that."
- "Compared to this time last year, coil mattresses are pretty much the same. Their sales do not vary that much."
- "We are selling more and more Tempur-Pedics all the time. Now a lot of medical facilities and hospitals are ordering them."
- "Tempur sales from the second to the third quarter are pretty even."
- "Since we got the Tempur-Choice line in July, we have not sold that many—just a few."
- "It is the only brand out there that gets a 100% from the people who rate mattresses in several different categories. Tempur Sealy stands alone."

### Customer Preference

- "As soon as the customer lies on a Tempur-Pedic mattress, it sells itself. It does not take much work to sell."
- "Something may come out and be popular for a while, but that popularity fades when the next, new thing comes along. Tempur Sealy has consistently stayed on top."

### Market Share/Competition

- "We have eight slots for Tempur-Pedic, and on our sales floor we have approximately 50 mattresses."
- "The Tempur-Pedic slots increased by one slot this summer when their newest line, Choice, came out."
- "Before the Choice, the previous floor change was November 2012 when the Breeze line rolled out."
- "No brand has taken market share from Tempur-Pedic in the last six months. It consistently sells."
- "The [Cloud](#) is our top selling Tempur mattress. It is right in the midrange of price and firmness; it is not too soft and not too hard for most people."
- "Tempur Sealy was losing some customers to [Select Comfort's] Sleep Number; that is why they introduced the Choice adjustable line. It is more for people who likes gadgets and controls and want to adjust their bed often."
- "There is not one Tempur Sealy competitor that sells more than another. They all sell somewhat."

### Pricing

- "All of our mattresses are price-fixed, so there is no discounting. And there should not be at any other retailer. We most often have some kind of bonus or a gift card with purchase."
- "Our current Tempur Sealy promotion is a free twin Simplicity mattress with the purchase of any set, or you get a \$300 gift card."
- "We offer free pillows, mattress pads and blankets as well for different promotions. The manufacturer usually decides on offers like that."

### Other

- N/A

## 12. Sales associate for a regional furniture store, Milwaukee

Growth is harder to come by with more competitors, but Tempur Sealy remains the market leader. Foam mattress sales continue to grow slowly but steadily and are up by a few percentage points, while coil sales are flat year to year. Sales are

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stronger for the iComfort than for Tempur-Pedic, primarily because of the price difference. Foam-to-coil sales and floor share are even. Seven of the store's 35 slots are for Tempur Sealy, and the store is making room for its Choice collection. The three new iComfort Directions mattresses were added to the floor last quarter. To remain competitive, Tempur Sealy decreased its prices by as much as 20% this spring on select products. Otherwise, its prices are fixed; instead, it offers free product or gift cards. Retailers are able to discount iComfort product when directed by Serta.

## Sales

- "Foam mattress sales are up slightly since this time this year—not more than a few percent."
- "Coil-to-foam sales are about 50/50 at this store. It is starting to lean slightly toward more foam sales every year since Tempur-Pedic came out."
- "The foam mattress market is growing slowly but surely, while there has been no growth in the coil mattress market since last summer."

## Customer Preference

- "Tempur-Pedic is the top seller overall. They were the originator of the foam mattress. They remain the leader and everyone is chasing them with the next best foam product."
- "Lately, rather than a Tempur-Pedic mattress, customers seems to be buying more iComforts. I am sure the price point has something to do with it. You can get an iComfort for about half the cost of the lowest-level Tempur-Pedic mattress, and that is not even an adjustable."
- "The iComfort start at \$1,300 while the Tempur-Pedic start at \$2,000. That is a big jump if you don't have the cash."
- "Within the iComfort line, the [Savant](#) is the top seller. It is one of the firmer choices in their line."

[Tempur Sealy is] fighting hard and doing different things to stay on top. They are not necessarily losing market share as much as they might not be gaining as much as they were in prior years.

*Sales Associate  
Regional Furniture Store, Milwaukee*

## Market Share/Competition

- "We have six slots for Tempur Sealy [out of about] 35 slots. This is a fairly small store."
- "We have an empty seventh slot for the Tempur Sealy Cloud Select, but I sold the floor model and am waiting for the replacement to come in."
- "[Tempur Sealy is] fighting hard and doing different things to stay on top. They are not necessarily losing market share as much as they might not be gaining as much as they were in prior years."
- "When the Tempur-Pedic Choice came out, we did not have room on the floor. But I plan to move things around and want to have it on the floor in the next few months. Otherwise, we have not changed the Tempur slots in the last six months."
- "iComfort just came out with their Directions line, so three mattresses from that line have been added to the floor this summer. Sales are OK for them."
- "About half our floor is coil mattresses versus the other half being foam. Foam is the trend, however, so that will probably change this next year to more foam on the floor. ... The change is slow-going."
- "To remain competitive, they introduced the Simplicity line for more budget-conscious consumers and the Choice line as an answer to Sleep Number's mattresses."

## Pricing

- "Their prices [in general] have come down in the year and in some cases 20% or from \$2,500 to \$1,999."
- "The prices are fixed on Tempur Sealy products, but there is almost always a promotion with them. Currently, with purchase you get a \$300 gift card toward anything in the store, but it cannot be applied to the Tempur-Pedic mattress purchase. People usually get our pillows."
- "We are able to discount the iComforts a bit. Serta tells us what to do."
- "With an iComfort Directions mattress purchase, you get a free 39-inch HDTV."

## Other

- N/A

## 13. Manager for a mattress chain store, Missouri

The Tempur-Cloud is this store's best seller. Tempur-Pedic has not lost market share in the past month but still suffers from a marketing campaign that does not separate itself from the lesser competition. People think every foam mattress, bad or otherwise, is a Tempur-Pedic. Discounts are highly regulated by Tempur Sealy and are limited.

### Sales

- "We just opened at this location eight months ago, so I can't compare anything to last quarter."
- "The [Cloud Supreme](#) is our best-selling foam mattress. I have not sold a single one of the new Choice mattresses, but people do look at them."
- "Sales always slow down in September. The best season is between Memorial Day and Labor Day. I think it is because more people move in summer and may want to buy new mattresses. Sales of Tempur-Pedics are probably up 10% from the second quarter."

### Customer Preference

- "People will tell you the Tempur-Pedic memory foam mattress is the best one of its kind out there. They love the quality of sleep."

### Market Share/Competition

- "We have 16 slots for Tempur-Pedic out of 65 slots overall."
- "We have added five slots for Tempur-Pedic in the past six months."
- "Market share for Tempur-Pedic and the other mattresses is about the same as six months ago."
- "The reason Tempur-Pedic is not gaining market share is they have bad reputation in that people equate it with all memory foam mattresses. The company does a bad job marketing itself. Every day one or two customers will come in here and say, 'I bought a Tempur-Pedic five years ago, and it is worn out.' Well, they were not sleeping on a Tempur-Pedic, but they just think every foam mattress is a Tempur-Pedic. ... The company has to do a better job of setting itself apart from the competition. These beds last 25 years. They are the most highly recognized bed in America."

### Pricing

- "We just finished a promotion where people got a free twin Tempur-Pedic mattress with the purchase of a bed costing at least \$2,000. That was pretty good because those twins are about \$700."
- "Tempur-Pedic gives away a \$300 gift card good for other products, such as pillows, sheets, etc., with the purchase of a bed. Otherwise, they don't do discounts."
- "Tempur-Pedic never lowers prices, just raises them."
- "You can get in trouble by discounting Tempur-Pedic mattresses. The company can come in here anytime and look at your receipts."
- "[Nebraska Furniture Mart](#) offers discounts on Tempur-Pedic, even though they are not supposed to. I have seen them discounted \$300 on the clearance floor. Mattress Firm gives price breaks too."

### Other

- "Mattress buyers vary by region. Here ... people are very careful buyers, even though they have the money. They will look at mattresses for two years. I used to work in Phoenix, where people will just come in and buy it."

We just finished a promotion where people got a free twin Tempur-Pedic mattress with the purchase of a bed costing at least \$2,000. That was pretty good because those twins are about \$700.

*Manager, Mattress Chain store  
Missouri*

## 14. Manager for a mattress chain store, Missouri

Tempur-Pedic remains a big seller but has lost some market share to Serta and its gel products. Coil mattresses make up 60% to 70% of the store's sales, but that is not rising. Memory foam sales are up about 10% year to year. Discounts on Tempur-Pedic are highly regulated by Tempur Sealy and are limited.

### Sales

- "Coil mattresses are our bread and butter; they still account for about 60% to 70% of our sales. With the economy still the way it is, a lot of people are looking at coil because the prices are \$599 to \$799 for most products."
- "Coils sales have stayed pretty constant from a year ago."

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- “Memory foam sales are probably up about 10% over last year in this quarter.”
- “Tempur-Pedics are doing well. They are up from prior quarter, but I’m not sure by how much. Last year third quarter was our first in business at this store, so it is probably not a good comparison to now.”
- “We sold four or five of the new Choice mattresses the first weekend we had them in, about three weeks ago.”

## Customer Preference

- “Customers like the Tempur-Pedic. It has a very good feel, and it’s a long-lasting product.”

## Market Share/Competition

- “We have 12 slots for Tempur Sealy out of 100 total slots in the store.”
- “We will be adding one more Tempur Sealy in a day or so; it’s only new slot in the past six months.”
- “Serta’s iComfort did take market share from Tempur-Pedic. Anything new will do that, but it has leveled out. iComfort has more lower price options than Tempur-Pedic, and that is attractive to people. Gel is the hot product now.”

## Pricing

- “All the stores in town just had a promotion that ended this weekend in which buyers of the Tempur-Pedic ... mattresses got a \$300 cash card they could use on other products in the store. That is pretty unusual, especially from Tempur-Pedic.”
- “We can throw in free pillows or sheets with mattresses if someone comes in and says they got that offer elsewhere. We don’t initiate these things.”
- “Tempur Sealy is very strict about not allowing discounts; we have to stick to that.”

## Other

- “Tempur Sealy is the name in foam beds, but they may have get into gel beds to compete with that market. I would look for that at some point.”

Serta’s iComfort did take market share from Tempur-Pedic. Anything new will do that, but it has leveled out. iComfort has more lower price options than Tempur-Pedic, and that is attractive to people. Gel is the hot product now.

*Manager, Mattress Chain store  
Missouri*

## 15. Manager for a mattress chain store, Kansas City, MO

Sales in general have slowed during the past six months. Tempur Sealy has lost 5% to 6% of its share to Serta iComfort based on pricing. Tempur Sealy’s discounts in this store have been limited to free pillows.

## Sales

- “I have only been here since March, so I don’t know how coil and memory foam sales compared to the third quarter last year. Coil sells well because of the cheaper price than for memory foam.”
- “Tempur-Pedic sales are down for this quarter over last quarter. I can’t say by how much, but I know I have not sold a Tempur-Pedic for several weeks.”
- “It has been slow in this store, partly because a major grocery store and a restaurant closed recently. Fewer people see us and know we are here.”

## Customer Preference

- “Customers don’t really talk a lot about why they like one mattress over another. I don’t get a lot of feedback.”

## Market Share/Competition

- “There are 12 slots for Tempur Sealy here out of 70 total in the store.”
- “That number of slots has not changed in past six months.”
- “Tempur-Pedic has definitely lost market share to Serta iComfort, probably 5% or 6% in the past six months. Price has a huge lot to do with it. You can get a Serta for \$1,000 less than a Tempur Sealy, and there are a lot of choices.”

## Pricing

- “We have discounts on occasion but not for Tempur Sealy. We can throw in extras, such as pillows.”
- “We offer 60 months interest-free financing, but that is just for some of the

Tempur-Pedic has definitely lost market share to Serta iComfort, probably 5% or 6% in the past six months. Price has a huge lot to do with it. You can get a Serta for \$1,000 less than a Tempur Sealy, and there are a lot of choices.

*Manager, Mattress Chain store  
Kansas City, MO*



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high-end purchases. You have to spend at least \$4,000 to get that.”

## Other

- N/A

## 16. Manager for [SleepOne Mattress Superstore, Missouri](#)

Tempur-Pedic is by far this store’s biggest seller; its Choice mattress sells particularly well. Foam mattresses in general are gaining in popularity.

### Sales

- “Coil mattresses do OK. ... Foams are getting more popular all the time.”
- “Tempur-Pedic is one of the best mattresses out there. It is hands-down our best seller. I don’t know how much it is up over third quarter last year, but it is doing well.”
- “We got the new Choice mattress in a couple months back, and we have sold a lot of those. Sales of Tempur Sealy this quarter may be ahead of last quarter.”

### Customer Preference

- “Customers like the comfort of the Tempur-Pedic. A lot of people come here without any real idea what they are looking for in a mattress; they don’t do much research. But they like the Tempur-Pedic when they try it. Sometimes they have seen an ad.”

### Market Share/Competition

- “There are eight slots for Tempur Sealy here out of about 50 total in the store.”

### Pricing

- “We don’t do much discounting and not at all on Tempur Sealy. Sometimes we will offer pillows or other items with a purchase. We do have 60-month free financing on some purchases.”

## Other

- N/A

## Secondary Sources

The following three secondary sources discussed the slowing housing market for first-time home buyers, as well as Tempur Sealy’s increased discounts and promotions during the last two months.

### ➤ July 23 Consumerist [article](#)

Escalating student loan debt, a plethora of real estate speculators, higher housing interest rates, and strict underwriting procedures have led to a 10% decrease in first-time home buyers in the market.

- “The notion of buying your first home, building equity, and eventually moving up the property ladder is still something many young Americans aspire to, but between more stringent underwriting procedures, lingering student loan debt, competition from real estate speculators and higher interest rates, first-time buyers are being squeezed out of the market.”
- “According to the National Association of Realtors, first-time buyers have represented around 40% of home sales over the course of the last three decades, but in the last year, that has dropped to only 30%.”
- “Without equity from the sale of an existing home, first-timers must tap their savings for down-payment money. Putting less than 20% of the sale price down often requires the buyer to purchase mortgage insurance, which jacks up the monthly payments for years, possibly decades. And mortgage insurance premiums have increased noticeably in the last two years, meaning first-time buyers will now be paying even more if they can’t foot the full down-payment.”
- “Meanwhile, young Americans hold a large portion of the \$1 trillion in outstanding student loan debt, making it harder for some to save any money.”
- “Then there are the institutional real estate investors who are speculatively snapping up bottom-dollar homes—the very ones that should appeal to first-time buyers—with the goal of eventually reselling at a higher price or turning into

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rental properties. First-timers stand no chance against these bank-backed buyers who pay cash and close deals almost immediately.”

- “The Wall Street Journal reports that this drop in first-time buyers could drag down the rest of the real estate market as it attempts to right itself.”
- “‘First-time buyers are important to get the housing market to move to a new plateau,’ the chief economist with Mizuho Securities USA Inc explains to the Journal. ‘Without them, you just get stuck at a marginal recovery environment.’”

## ➤ **Sept. 17 *Epoch Times* article**

The housing market is suffering because fewer first-time buyers are in the market, new house sales have dropped, housing inventories have increased while foreclosures have declined, and investors are snapping up properties.

- “Real estate market experts are questioning the sustainability of the rebound in the U.S. housing market. They reason that investment firms and individual investors, and not those who would use the houses as a residence, have bought a significant number of homes. Therefore, it can’t be considered a true rebound of the housing market.”
- “The quantity of home purchases by investors ‘raises the question of whether rising home prices really indicate a sustained market recovery, or if the growth is just a facade fueled by Wall Street,’ a Daily Finance article states.”
- “Investors buy many homes and convert them to rental properties, and first-time buyers are priced out of the market. First-time buyers can’t compete with investment funds that are flush with cash.”
- “One could argue that there is a rebound as houses are being sold, despite the loss of first-time buyers. However sales of new houses fell by 13 percent to 394,000 in July compared to the prior month, according to the latest U.S. Census Bureau report.”
- “Also, pending home sales have decreased, according to NAR reports. The Pending Homes Sales Index declined 1.3 percent from 110.9 in June to 109.5 in July.”
- “In addition, single-family home and condominium inventories increased from 2.2 million in June to 2.3 million in July, indicating that sales have slowed down, according to NAR data reported by the National Association of Home Builders (NAHB).”
- “In fact, most market researchers report a recent slowdown in house sales or an increase in home inventories. Inventories increased by 2.4 percent in August, based on the latest Movoto Real Estate State of the Market Report. This is abnormal because home inventories generally decline at the end of the summer months.”
- “There is a buyer’s market, according to a recent Trulia Price Monitor blog, because ‘asking home prices decreased 0.3% in July—the first month-over-month decline since November 2012.’”
- “A slowdown in home sales increases housing inventories. Furthermore, while the rate of foreclosures has decreased, any foreclosures will increase housing inventories. This doesn’t bode well for a rebound.”
- “Daren Blomquist, vice president at RealtyTrac, said in a September report, ‘Foreclosure flash floods will continue to hit some markets over the next few months as delayed foreclosure starts are quickly pushed into the pipeline.’”
- “Using July data, Corelogic reported on the latest foreclosure numbers. As of July, there were 949,000 homes in the foreclosure process nationwide, a decrease from the 1.4 million homes in July 2012.”
- “There are also fewer monthly foreclosures. In July, banks completed the paperwork for 49,000 foreclosures versus 65,000 in July 2012, a 25 percent decline.”
- “The large housing inventory has decreased significantly since the height of the recession. However, a significant number of homes were not bought by individuals, but by investment firms.”
- “For example, the Blackstone Group L.P., a multinational investment firm, ‘has been busy buying up scores of single-family homes at dirt-cheap prices, fixing them up, and then turning around and renting them out,’ according to a recent Street Authority Daily report.”
- “The renter’s market has hit a 16-year high, according to a Census Bureau and Bank of America Merrill Lynch Global Research report.”

## ➤ **Tempur-Pedic Twitter page**

Tempur-Pedic’s Twitter page offers a sample of the brand’s discounts, free items and special financing from the past few weeks.

- **Sept. 20:** Watch your email on 9/23 for an exclusive promo code that will land you a BOGO FREE offer! [#FreebieFriday](#)
- **Sept. 7:** FREE TEMPUR-Simplicity Twin Mattress when you buy a Tempur-Pedic mattress set. Hurry, this offer ends tomorrow! <http://bit.ly/15F1dDd>

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- **Sept. 3:** Last Chance! Enter for a chance to win a TEMPUR-Choice™ Supreme mattress & @DesignSponge consultation. [#ChoiceisYours](http://bit.ly/1902Ejc)
- **Sept. 2:** Act now for Special financing on most mattresses. See <http://www.tempurpedic.com> or call 18885708972. Ask for details. Subject to credit approval.
- **Aug. 29:** No need to pillow fight. Every week, 1 lucky winner will receive a set of TEMPUR-Traditional Pillows [#ChoiceisYours](http://bit.ly/1902Ejc)

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