

media requirements





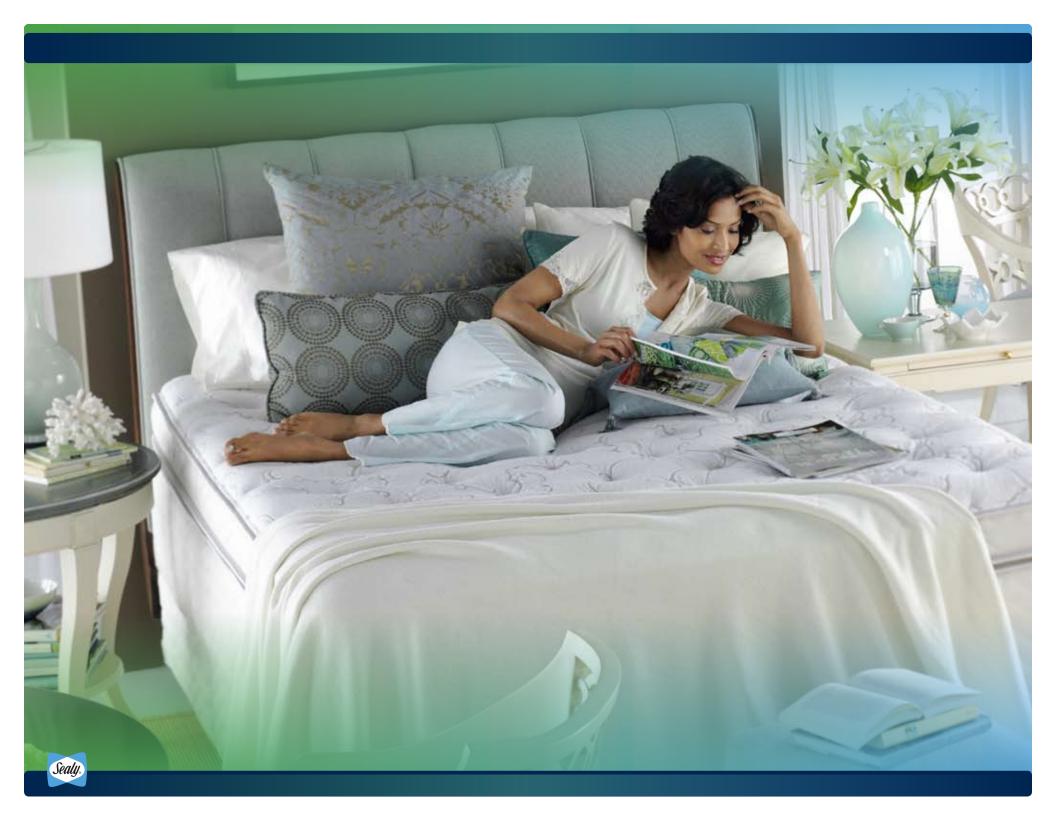
newspaper

inserts/direct mail

billboard/outdoor

internet/other

The following list of requirements was updated to reflect contemporary advertising practices for customers as well as establish enhanced guidelines that reinforce the importance of building a consistent and compelling image for Sealy. Inc. brands with consumers.







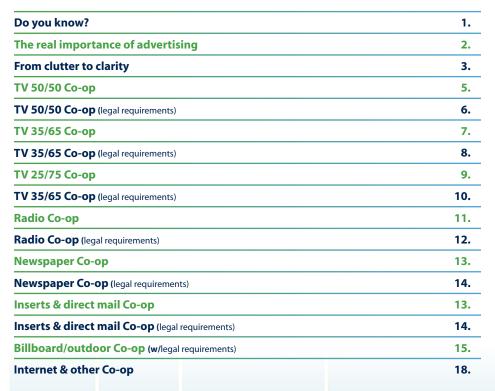












The new Sealy Co-op policy reflect contemporary advertising practices for customers as well as establish enhanced guidelines that reinforce the importance of building a consistent and compelling image for Sealy Inc. brands with consumers.

The Sealy Mattress Co. Inc. Co-op policy provides for reimbursement of up to a maximum 50% of the approved advertising cost incurred by the customer for stated performance, defined within this document, assuming the customer has accrued required funds based on purchases. The term "Advertising Costs" is defined as the total cost of the specific advertising activity paid by the Customer. Sealy will provide a specific reimbursement amount to the Customer for each qualifying activity consistent with the Co-op guidelines published under separate cover.

Sealy Mattress Co., Inc., will provide Co-op reimbursement only for ads which meet requirements defined as following pages.

















do you know?

How much profit did we make last year?

\$250,000,000

How much did we spend last year on Co-op?

\$140,000,000

How many pieces does that equal?

3,472,000 pieces

How many truckloads does that equal?

28,933 truckloads

How many production days does that equal?

145 days

How much "brand building" did we get for this?





THE REAL IMPORTANCE OF ADVERTISING

the value of brand identity

Name brand identity is developed when manufacturers use consistent messaging and support their message with creative marketing. Promoting name brand products generates more traffic at premium price points. Name brand items tend to be easier to sell and tend to generate higher profits. All of these factors make advertising name brands more effective.

the value of advertising

Advertising generates awareness, traffic, sales and profits. It influences shopping and buying habits while building store credibility by associating a name brand with a retailer.

the value of consistency

When retailers reinforce a manufacturer's message, clarity and weight are added to that message. The same is true when multiple retailers reinforce the manufacturer's message. This consistency of message amongst retailers ultimately builds name brand value.

how retailers spend ad dollars

Source: Furniture Today 9/10/07

media	%
newspapers	35
magazines	4
TV	22
radio	12
direct mail	12
all other	15

image versus price advertising

2002 25%......image 75%.....price

200541%......image
59%.....price

200641%......image
59%.....price



FROM CLUTTER TO CLARITY

here's what our agency discovered and their direction to sealy and our dealers:

research discovered —

- lack of clarity consumers are confused
- lack of differentiation consumers believe most mattresses are the same
- lack of deep connection to individual brands consumer emotion rarely part of the equation
- cause lack of consistent message directed at a particular consumer

recommendations —

advertising specific Sealy products

- Build greater conviction for the Sealy Posture pedic brand
- Drive significant growth for Sealy retailers through consistency in advertising messaging
- Use of vignette in all media
 A vignette is a consistent message about a Sealy branded product.
 This same message will be used by Sealy and all of its dealers when







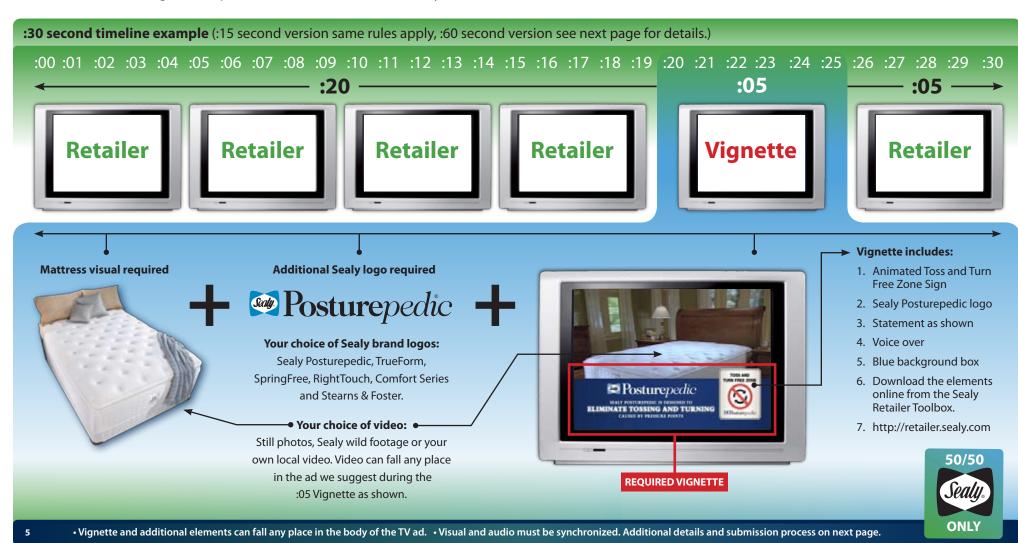


50/50 Co-op split - TV broadcast :15/:30/:60



Here's how to maximize your Sealy 50/50 Co-op split:

- Sealy pays 50%, customer pays 50%.
- The Sealy brand vignette is a :05 second brand ID that consists of the Toss And Turn Free Zone sign plus the brand messaging statement "Sealy Posturepedic is designed to ELIMINATE TOSSING AND TURNING caused by pressure points."
- Also include a clean mattress visual and at least one additional Sealy brand logo.
- Vignette requires that the visual and audio be synchronized.



50/50 Co-op TV Broadcast





Advertising Content:

- a. Ad must include at minimum each of the following three elements:
- i. one (1) Sealy Inc. brand vignette prominently featured within the body of the advertisement;
- ii. one (1) uncovered Sealy Inc mattress visual;
- iii. one (1) Sealy Inc. brand mention for :15 and :30 second spots and two (2) Sealy Inc. brand mentions for a :60 second spot. For :30 and :60 second spots, brand mentions must include a synchronized voice over and visual (on screen graphic) logo placement. Brand mentions are in addition to the vignette.
- b. Vignette and logo image must reflect artwork and standards for correct color guidelines and other usage requirements provided for each Sealy Inc. brand. Approved visual standards are included in the Toolbox. Vignette artwork has been preformatted by Sealy to fit: 15,:30 and:60 second advertising sizes and formats.
- c. Visual elements of Sealy Inc. brand vignette must be synchronized with approved audio copy. Approved copy is included in the Toolbox. All vignette visual elements must conform to Sealy standards. Audio portion must reflect minimum required copy provided by Sealy but can be delivered by retailer defined spokesperson.
- d. Alternative combinations of Sealy Inc. brand vignette formats (Sealy Posturepedic, Sealy Specialty, or Stearns & Foster) can be applied to meet minimum requirements for :30 and :60 second advertising formats. For example, two (2) different :30 second format vignettes can be used within a :60 second ad.
- e. Sealy Inc. Co-op funds will be proportionately allocated based on the number of Sealy Inc. brand vignettes and brand logos utilized.

Broadcast Mentions:

- a. For a spot of fifteen (:15) seconds, Sealy Inc. brands must be mentioned at least one (1) additional time to the vignette, mention can be verbal or visual;
- b. For a spot of thirty (:30) seconds, Sealy Inc. brands must be mentioned at least one (1) additional time to the vignette. Mentions must be synchronized with a voice over and visual logo placement (on screen graphic);
- c. For a spot of sixty (:60) seconds or more, Sealy Inc. brands must be mentioned at least two (2) times additional to the vignette. Mentions must be synchronized with a voice over and visual logo placement (on screen graphic).
- d. For electronic advertising of 10 seconds or less (e.g. Broadcast billboards, cinema ads, on-hold messages):
- i. Messaging must one (1) Sealy Inc. brand mention. Brand mentions must include a synchronized voice over and visual (on screen graphic) logo placement;
- ii. Prior approval signed by Sealy District Manager required for Co-op reimbursement.

Required Documentation:

- a. Notarized script showing station name and frequency of ad;
- b. Station invoice showing net rate of advertising after any agency fees or discounts;
- c. Proof of video will be required.

- a. The cost of talent, production, studio, or other charges associated with broadcast will not qualify for reimbursement;
- b. All customer and company discounts and rebates must be applied.



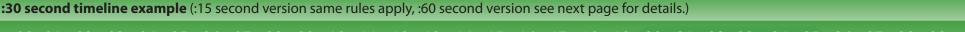


35/65 Co-op split - TV broadcast :15/:30/:60



Here's how to maximize your Sealy 35/65 Co-op split: (for competitive brands)

- Sealy pays 35%, customer pays 65%.
- The Sealy brand vignette is a :05 second brand ID that consists of the Toss And Turn Free Zone sign plus the brand messaging statement "Sealy Posturepedic is designed to ELIMINATE TOSSING AND TURNING caused by pressure points."
- The Sealy brand vignette equal to 25% Co-op plus by adding an additional Sealy brand earn 10% more Co-op dollars.
- Sealy brand vignette and added brand(s) require visual and audio to be synchronized.



Retailer











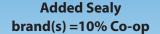


Vignette = 25% Co-op

Vignette includes:

- Animated Toss and Turn Free Zone Sign
- 2. Sealy Posturepedic logo
- 3. Statement as shown
- 4. Voice over
- 5. Blue background box
- 6. Download the elements online from the Sealy Retailer Toolbox.
- 7. http://retailer.sealy.com

Your choice of video: still photos, Sealy wild footage or your own local video.







It's your choice

When you need to add competitive mentions feel free and still get Sealy Co-op dollar.

Competitive brands

Choice of Sealy brand(s):

TrueForm, SpringFree, RightTouch, Comfort Series and Stearns & Foster.

Maximium 10% payout combined for all added Sealy, Inc. brands.



35/65 Co-op TV Broadcast



Sealy Mattress Co., Inc., will provide 35/65 (Sealy paid/Customer paid) Co-op reimbursement for TV Broadcast ads which meet the following content requirements:

- a. Ad must include at minimum one (1) approved Sealy Inc brand vignette and one (1) additional Sealy Inc. brand mention. 35/65 Co-op payment qualification is based on the following:
- i. 25% of Advertising costs will be paid for one (1) Sealy Inc. brand vignette prominently featured within the body of the advertisement;
- ii. 10% of Advertising costs will be paid for an additional Sealy Inc. Brand mention including a synchronized brand mention (voice-over) and a logo placement (on-screen graphic). Sealy will only reimburse a maximum of 10% for all additional Sealy Inc. brand mentions and brand mention must be different than the qualifying vignette brand.
- b. Vignette and logo image must reflect artwork and standards for correct color guidelines and other usage requirements provided for each Sealy Inc. brand. Approved visual standards are included in the Toolbox. Vignette artwork has been preformatted by Sealy to fit: 15,:30 and:60 second advertising sizes and formats.
- c. Visual elements of Sealy Inc. brand vignette must be synchronized with approved audio copy. Approved copy is included in the Toolbox. All vignette visual elements must conform to Sealy standards. Audio portion must reflect minimum required copy provided by Sealy but can be delivered by retailer defined spokesperson.
- d. Alternative combinations of Sealy Inc. brand vignette formats (Sealy Posturepedic, Sealy Specialty, or Stearns & Foster) can be applied to meet minimum requirements for :30 and :60 second advertising formats. For example, two (2) different :30 second format vignettes can be used within a :60 second ad.
- e. Sealy Inc. Co-op funds will be proportionately allocated based on the number of Sealy Inc. brand vignettes and brand logos utilized.

Broadcast Mentions:

- a. For a spot of fifteen (:15) seconds, Sealy Inc. brands must be mentioned at least one (1) additional time to the vignette, mention can be verbal or visual;
- b. For a spot of thirty (:30) seconds, Sealy Inc. brands must be mentioned at least one (1) additional time to the vignette. Mentions must be synchronized with a voice over and visual logo placement (on screen graphic);
- c. For a spot of sixty (:60) seconds or more, Sealy Inc. brands must be mentioned at least two (2) times additional to the vignette. Mentions must be synchronized with a voice over and visual logo placement (on screen graphic).
- d. For electronic advertising of 10 seconds or less (e.g. Broadcast billboards, cinema ads, on-hold messages):
- i. Messaging must one (1) Sealy Inc. brand mention. Brand mentions must include a synchronized voice over and visual (on screen graphic) logo placement;
- ii. Prior approval signed by Sealy District Manager required for Co-op reimbursement.

Required Documentation:

- a. Notarized script showing station name and frequency of ad;
- b. Station invoice showing net rate of advertising after any agency fees or discounts;
- c. Proof of video will be required.

- a. The cost of talent, production, studio, or other charges associated with broadcast will not qualify for reimbursement;
- b. All customer and company discounts and rebates must be applied.



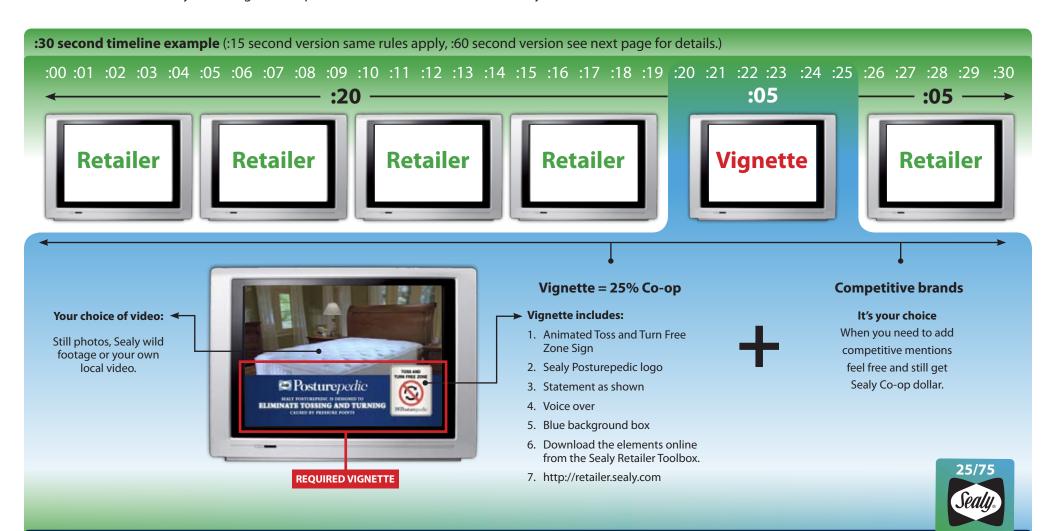


25/75 Co-op split - TV broadcast :15/:30/:60



Here's how to maximize your Sealy 25/75 Co-op split: (for competitive brands)

- Sealy pays 25%, customer pays 75%.
- The Sealy brand vignette is a :05 second brand ID that consists of the Toss And Turn Free Zone sign plus the brand messaging statement "Sealy Posturepedic is designed to ELIMINATE TOSSING AND TURNING caused by pressure points."
- Sealy brand vignette requires that the visual and audio to be synchronized.



25/75 Co-op TV Broadcast



Sealy Mattress Co., Inc. will provide 25/75 (Sealy paid/Customer paid) Co-op reimbursement for TV Broadcast ads which meet the following content requirements:

- a. Co-op reimbursement of 25% of Advertising Costs will be paid for a minimum of one (1) approved Sealy Inc. brand vignette prominently featured within the body of the advertisement.
- b. Vignette must reflect artwork and standards for correct color guidelines and other usage requirements provided for each Sealy Inc. brand. Approved visual standards are included in the Toolbox. Vignette artwork has been preformatted by Sealy to fit: 15,:30 and :60 second advertising sizes and formats.
- c. Visual elements of Sealy Inc. brand vignette must be synchronized with approved audio copy. Approved copy is included in the Toolbox. All vignette visual elements must conform to Sealy standards. Audio portion must reflect minimum required copy provided by Sealy but can be delivered by retailer defined spokesperson.
- d. Alternative combinations of Sealy Inc. brand vignette formats (Sealy Posturepedic, Sealy Specialty, or Stearns & Foster) can be applied to meet minimum requirements for :30 and :60 second advertising formats. For example, two (2):30 second format vignettes can be used within a :60 second ad.

Broadcast Mentions:

- a. For a spot of fifteen (:15) seconds, Sealy Inc. brands must be mentioned at least one (1) additional time to the vignette, mention can be verbal or visual;
- b. For a spot of thirty (:30) seconds, Sealy Inc. brands must be mentioned at least one (1) additional time to the vignette. Mentions must be synchronized with a voice over and visual logo placement (on screen graphic);
- c. For a spot of sixty (:60) seconds or more, Sealy Inc. brands must be mentioned at least two (2) times additional to the vignette. Mentions must be synchronized with a voice over and visual logo placement (on screen graphic).
- d. For electronic advertising of 10 seconds or less (e.g. Broadcast billboards, cinema ads, on-hold messages):
- i. Messaging must one (1) Sealy Inc. brand mention. Brand mentions must include a synchronized voice over and visual (on screen graphic) logo placement;
- ii. Prior approval signed by Sealy District Manager required for Co-op reimbursement.

Required Documentation:

- a. Notarized script showing station name and frequency of ad;
- b. Station invoice showing net rate of advertising after any agency fees or discounts;
- c. Proof of video will be required.

- a. The cost of talent, production, studio, or other charges associated with broadcast will not qualify for reimbursement;
- b. All customer and company discounts and rebates must be applied.





radio Co-op



Three ways to mazimize your Sealy radio Co-op:

50/50

requirements:

- :30 and :60 second radio spots
- Both requires:05 second Sealy brand vignette message statement "Sealy Posturepedic is designed to ELIMINATE TOSSING AND TURNING caused by pressure points."
- **NO** competitive brand mentions
- :60 second spot requires 2 brand vignettes for example
 Sealy Posturepedic plus TrueForm vignettes.
- Other combinations also allowed see next page for details
- For radio spots less then :30 seconds **NO** Co-op funds



35/65

requirements:

- · :30 and :60 second radio spots
- Both requires:05 second Sealy brand vignette
 message statement "Sealy Posturepedic is designed
 to ELIMINATE TOSSING AND TURNING caused by
 pressure points."
- Can have competitive brand mentions
- :60 second spot requires 2 brand vignettes for example
 Sealy Posturepedic plus TrueForm vignettes.
- Other combinations also allowed see next page for details
- For radio spots less then :30 seconds **NO** Co-op funds



25/75

requirements:

- :30 and :60 second radio spots
- Both requires:05 second Sealy brand vignette
 message statement "Sealy Posturepedic is designed
 to ELIMINATE TOSSING AND TURNING caused by
 pressure points."
- Can have competitive brand mentions
- For radio spots less then :30 seconds **NO** Co-op funds





Radio Co-op Requirements



Sealy Mattress Co., Inc., will provide Co-op reimbursement for Radio Broadcast ads which meet the following content requirements:

Advertising Content:

- a. Ad must include a minimum of one (1) Sealy Inc. brand vignette prominently featured within the body of the radio advertisement. Copy options have been preformatted by Sealy to fit :30 and :60 second advertising sizes. Approved copy is included in the Toolbox.
- b. Audio copy must reflect minimum five (:05) second length with content provided by Sealy but can delivered by retailer defined spokesperson.
- c. Alternative combinations of Sealy Inc. brand vignette formats (Sealy Posturepedic, Sealy Specialty, or Stearns & Foster) can be applied to meet minimum requirements for: 60 second advertising formats. For example, two (2):30 second format vignettes can be used within a :60 second ad.

Broadcast Mentions:

- a. To qualify for 50/50 Co-op payment, radio advertising can only feature Sealy Inc. brands (no other competitive product or brand name can be mentioned) and must include the approved Sealy Inc. brand vignette.
- b. To qualify for 35/65 Co-op payment radio advertising must prominently feature a Sealy Inc. brand vignette and one additional Sealy Inc. brand mention (Brand mention must be different than brand highlighted in vignette) in addition to other competitive brand mentions.
- c. To qualify for 25/75 Co-op payment radio advertising must prominently feature a Sealy Inc. brand vignette in addition to other competitive brand mentions.
- d. Sealy will not provide Co-op reimbursement for radio advertisements that are less than thirty (:30) seconds in duration.

Required Documentation:

- a. Notarized script showing station name and frequency of ad;
- b. Station invoice showing net rate of advertising after any agency fees or discounts.

- a. The cost of talent, production, studio, or other charges associated with broadcast will not qualify for reimbursement;
- b. All customer and company discounts and rebates must be applied.





newspaper Co-op



Here's how to maximize your Sealy newspaper Co-op

- Ad must include one Sealy Inc. brand vignette prominently featured within the body of the advertisement. Vignette image must reflect artwork and standards provided by Sealy. See minimum size specification for your newspaper ad.
- One uncovered Sealy Inc. brand mattress visual.
- One additional Sealy Inc. brand logo reflecting approved standards and colors.
- Multi-brand ads are based on percentage of mattress selling space dedicated to Sealy, Inc. brands. Payment will address total ad space.



Newspaper Co-op Requirements



Sealy Mattress Co., Inc. will provide Co-op reimbursement for newspaper ads which meet the following requirements:

Advertising Content:

- a. Newspaper ad must include a minimum of one (1) Sealy Inc. brand vignette prominently featured within the body of the advertisement. Vignette image must reflect artwork and standards provided by Sealy, referenced in the Toolbox.
- b. Newspaper ad must include one additional (1) Sealy Inc. brand logo reflecting approved standards and colors. Refer to Toolbox for logo standards, correct color guidelines and other usage requirements for each Sealy Inc. brand.
- c. Newspaper ad must include a minimum of one (1) uncovered Sealy Inc. mattress visual within the mattress section of the advertisement.

Payment Qualification Guidelines:

- a. Sealy Inc. Co-op funds will be proportionately allocated based on the percentage of mattress selling space dedicated to Sealy, Inc. brands. Payment will address total ad space.
- b. The total ad size for Sealy newspaper advertising must be at least ten (10) column inches or twenty (20) square inches to qualify for Co-op reimbursement. Minimum vignette size for ad sizes is as follows:
- i. Up to ¼ Page: (6.5" x 10.5"): Minimum brand vignette size is 2.25" x 1.5";
- ii. Up to ½ Page: (13" x 10.5"): Minimum brand vignette size is 2.625" x 1.375";
- iii. Up to Full Page: (13.0" x 21.0"): Minimum brand vignette size is 3.0" x 2.25".

Required Documentation:

- a. Original tearsheet showing publication date and name of publication, or Electronic tearsheet;
- b. Publication invoice showing any agency fees and discounts.

- a. Production costs for newspaper advertisements are not covered for Co-op reimbursement;
- b. All customer and company discounts and rebates must be applied.





inserts/direct mail Co-op



Here's how to maximize your Sealy inserts/direct mail Co-op

- Inserts & direct mail must include one Sealy Inc. brand vignette prominently featured within the body of the advertisement. Vignette image must reflect artwork and standards provided by Sealy. See minimum size specification for your insert or direct mail advertisments.
- One uncovered Sealy Inc. brand mattress visual.
- One additional Sealy Inc. brand logo reflecting approved standards and colors.

Posturepedia

4 page tab: 10.5 x 22" (open)

Special 12 Month Financing Offer

• Multi-brand ads are based on percentage of mattress selling space dedicated to Sealy, Inc. brands. Payment will address total ad space.



9000

\$000

Inserts/Direct Mail Requirements



Sealy Mattress Co., Inc. will provide Co-op reimbursement for Insert and Direct Mail ads which meet the following requirements:

Advertising Content:

- a. Direct mail/Insert ad must include a minimum of one (1) Sealy Inc. brand vignette prominently featured within the body of the advertisement. Vignette image must reflect artwork and standards provided by Sealy, referenced in the Toolbox.
- b. Direct mail/Insert ad must include one additional (1) Sealy Inc. brand logo reflecting approved standards and colors. Refer to Toolbox for logo standards, correct color guidelines and other usage requirements for each Sealy Inc. brand.
- c. Direct mail/Insert ad must include a minimum of one (1) uncovered Sealy Inc. mattress visual within the mattress section of the advertisement.
- d. "Positioning Ad Inserts" as found in the Sealy Retail Advertising Planner are not meant to stand alone.

Payment Qualification Guidelines:

- a. Sealy Inc. Co-op funds will reimburse the proportionate advertising cost based on the percentage of mattress selling space dedicated to Sealy, Inc. brands. Payment will address total ad space. Advertising Costs include cost of printing, postal and insertion costs related to mattress advertising.
- b. Minimum dimensions for the Sealy Inc. brand vignette are based on the size of the insert/direct mail ad size as follows:
- i. Single Sheet: (8.375" x 11.0"): Minimum brand vignette size is 2.625" x 1.375";
- ii. 4 Page Tab: (10.5" x 22.0""): Minimum brand vignette size is 3.0" x 2.25";
- iii. Broadsheet: (13.0" x 21.0"): Minimum brand vignette size is 3.0" x 2.25".

Required Documentation:

- a. Original Insert/Direct Mail piece showing publication date, or Electronic tearsheet;
- b. Printing/Postal/Insertion invoices showing the net rate after any discounts or agency commission;
- c. Production costs are eligible for Co-op reimbursement only with the prior written approval of the Sealy District Sales Manager.

- a. Pre-production and talent are not covered for Co-op reimbursement;
- b. All customer and company discounts and rebates must be applied.





billboard/outdoor signage Co-op



Sealy Mattress Co., Inc. will provide Co-op reimbursement for billboard/outdoor signage ads which meet the following requirements:

Advertising content:

- Ad must include a minimum of one Sealy Inc. brand logo and uncovered mattress visual. Visuals can utilize
 portions of the Sealy Inc. brand vignettes. All logo's must reflect artwork and standards provided by Sealy.
- b. Refer to logo standards for correct color guidelines and other usage requirements for each Sealy Inc. brand.

Payment Qualification Guidelines:

- a. Sealy Co-op funds can only be paid toward Advertising Cost. Advertising Costs include placement and set-up charges;
- Sealy Co-op funds will be proportionately allocated based on the total number competitive brands featured within the billboard. Sealy Inc. brand mentions will pay a fair share (proportional allocation of Advertising Cost) based on the percentage of total brand (Sealy and competitive brand) mentions;
- c. For Sealy only advertising, Sealy will pay up to 50% of Advertising Costs for a single brand mention.

Required Documentation:

- a. Prior approval signed by District Sales Manager (prior approval is kept on file for the length of the program year);
- b. Rental space invoice;
- c. Photograph of billboard, computer graphic from Production Company is acceptable (photo will be kept on file or one year).

- a. Production costs are not covered for billboard ads;
- b. All customer and company discounts and rebates must be applied.









internet/other Co-op



Internet Advertising Requirements

• Specific performance guidelines require written approval by Sealy Sales management prior to implementation. This is required to ensure appropriate implementation and investment return across a wide range of alternate internet options.

Yellow Page Requirements

• Sealy will pay 50% of Yellow pages Advertising Costs for Customers featuring a Sealy Only advertisement. Sealy will pay 25% of Advertising Costs for multi vendor advertisements.





