

September 18, 2020

Dear Valued Partner:

At Serta Simmons Bedding, we constantly strive to provide you and your customers with the best solutions to drive your business, and we sincerely appreciate your ongoing support. Our team continues to be dedicated to working with you to drive your mattress category growth and attainment of your business goals.

As you are aware, the impact of the COVID-19 global pandemic has continued to affect the entire supply chain for the furniture and bedding industry. While bedding demand remains strong across all retail channels, our industry's supply chain continues to experience constraints across key components. Since July, the global shortage of nonwoven material that is also used in PPE (masks & gowns) has limited the supply of individually wrapped coils throughout the industry. We are working closely with our suppliers on a daily basis, but the challenges for increased supply will continue for the foreseeable future.

We have also recently been informed by our suppliers that foam will be significantly constrained over the next few weeks due to a shortage of key chemical components. This will create a disruption in the flow of foam from our suppliers to our factories, further complicating our supply chain issues and possibly causing additional delays in the shipment of our products to you for the next few weeks.

Please be assured that we will continue to work with our suppliers to mitigate both the constraints of materials, as well as the rising prices of commodities. However, the situation remains extremely fluid. Given the extent of the raw material shortages throughout the industry, we have provided you with a letter that you can share with your customers to provide transparency and help keep them informed in these difficult times. We will continue to provide updates to you as appropriate.

Thank you again for your business and continued support of our brands. We remain committed to your success and our partnership together.

Sincerely,

A handwritten signature in cursive script that reads "Derek Miller".

Derek Miller
Chief Sales Officer
Serta Simmons Bedding