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Simmons second century.

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Simmons Second Century

Sometimes magnificent, often great, always very fair—

This is the Simmons story.

It is the story of a century of success—of the people, products and policies behind that success. We tell it now as Simmons Second Century begins because it is important to remember where we have been, and examine what we are and where we are going.

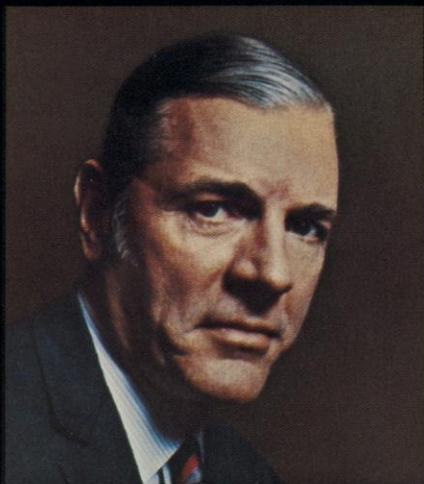
At this milestone anniversary, our primary concern is not with the year 1870, when it all began, but with 1970 and even with that remote year, 2070. After all, what Simmons is on its 200th birthday will be shaped by what we believe and stand for today.

For a hundred years Simmons has been primarily associated with sleep. Sleep is important! Sleep, along with air, food and water, is one of the critical conditions of human survival. The quality of a man's sleep determines his happiness, well-being and effectiveness in life. Simmons has achieved its success by giving people better sleep. It has revolutionized the sleeping habits of America and the world. In the process, it has also revolutionized its own industry and become a leader in the whole home furnishings field.

And that way, need we add, lies the future!

Our success story has much in common with other great corporate success stories. From the very first, Simmons was the leader in its field and from the first we have never stopped searching for better products and better ways to market them. Our sales organization has always been the most powerful in the industry; our production facilities, the most efficient. No competitor even approaches Simmons in range and depth of executive talent. Simmons has been consistently profitable and generous in paying dividends.

This success story, then, is really many stories—a story of sleep, a story of people, a story of money, a story of material and machines, a story of marketing, a story of diversification, a story of corporate citizenship. And in every chapter you will find that Simmons is
sometimes magnificent, often great, always very fair.



Stuart G. Simmons, Jr.

a story of sleep

In the beginning, sleep was the farthest thing from Zalmon Simmons' mind.

He was a marvelously energetic businessman who became president of both the Rock Island Railroad and the Northwest Telegraph Company; owned a country store; and served as mayor of Kenosha, Wisconsin.

In 1870 he bought a local cheesebox factory for manufacturing a wood telegraph insulator of his own design. Sleep entered this little cheesebox-cum-insulator business when founder Simmons accepted the patent for a woven wire bedspring as payment for a debt incurred in his store. There was just one thing wrong with the spring: it could not be produced economically.

So he put a local inventor to work on the problem and eventually got the price down from \$5 to 80¢. The Simmons Company, as purveyors of better sleep, was on its way.

It was not long before the retailers were telling Mr. Simmons, "Why don't you make bedsteads to go along with your springs?" As a company, we have always listened to the retailer, and Zalmon Simmons responded with the brass bed. The brass bed was very durable and, by the aesthetics of the time, beautiful. Simmons brass beds, something of a status symbol, were shipped from Kenosha to the far corners of the globe, and were Simmons' first big success.

By the early 1900's, fashions had changed. The iron foundry bed, much cheaper and quite as durable,

replaced brass. After World War I, the tubular steel bed emerged as America's standard bedstead. Through all these changes, Simmons maintained its industry leadership.

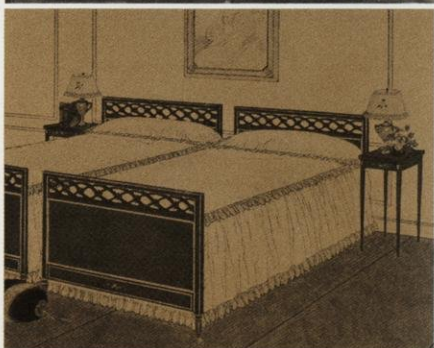
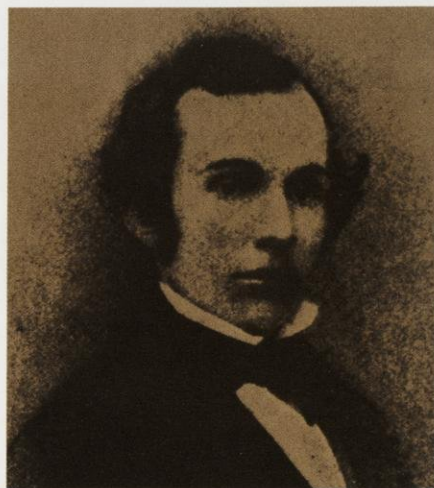
And where, you may ask, was the mattress all this time?

The answer is, it was mostly nowhere. As the 1920's began, most Americans still slept on pads lumpily stuffed with cotton or hair—little enough progress from the original sack-of-leaves. Many attempts had been made to put greater resilience into the heart of the mattress but until Simmons came along, none had really been successful.

As far back as 1853, a Poughkeepsie, New York inventor patented an innerspring mattress but he was never able to market it. After the Franco-Prussian War, a German built an innerspring mattress which he presented to Bismarck, but that is as far as his idea went.

The first innerspring mattress with coils in individual cloth pockets was patented in 1900 by James Marshall, a Canadian planing mill operator. This "Marshall ventilated mattress" was the grandfather of the Simmons Beautyrest. It was first manufactured in 1901, in a tiny one-room shop. Marshall himself produced the coils by cranking a machine that looked like a household meat grinder. The little business was still struggling along when Marshall died in 1905, with no idea that two decades later his invention would help to create a revolution in the whole sleep industry.

The Marshall mattress won some degree of public acceptance. The British furnished such ships as the Titanic, Lusitania and Mauritania with Marshall mattresses and a few



It all began when Zalmon Simmons bought a cheesebox factory. Almost by accident, he soon found himself in the sleep business. Two early successes: the brass bed and the tubular metal bed.



Before Beautyrest, people slept (?) on lumpy pads of cotton or hair.

hotels in the United States bought it. But when the patent expired in 1917, the innerspring mattress was still handmade, very high priced, and generally unknown.

The Simmons Company entered the mattress field almost inadvertently. In 1919, it purchased the Newark Spring Mattress Company, with an established business in the East. That same year, it acquired another mattress maker, Hirsch & Spitz, of Atlanta.

Once in the business, Simmons discovered that mattress-making was almost a cottage industry, with hundreds of tiny local manufacturers turning out cheap products at low prices. The use of second-hand tailor's cuttings was universal. Competition was entirely in terms of price. As each manufacturer sought his profit in the use of ever cheaper and more unsanitary filling materials, the consumer was the inevitable loser.

Kenosha in the early days.



The second Mr. Simmons, Zalmon, Jr., was known as "The Chief." He did not believe in doing business that way. The company began looking for a mattress of clear superiority, one that could be sold nationally. It found the answer in the Marshall type of mattress, with springs in individual cloth pockets.

The only trouble was, the product was handmade. As in the case of the woven wire spring, what we needed was a machine.

Luckily, there was a man named John Gail in our Kenosha factory and he was reputed to be a mechanical genius. The Chief turned him loose on the "pocket problem," setting him up in a sequestered drafting room in an Evanston, Illinois office building. Three years later, Gail had succeeded beyond

"The Chief," Zalmon Simmons, Jr.



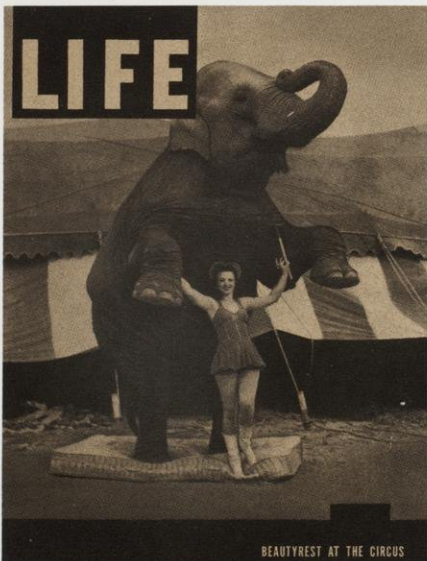
anybody's expectations. Although our several Beautyrest pocket machine patents have long since expired, no competitor has ever equalled our efficiency in the manufacture of this vital component. The Beautyrest Pocket Machine has continued to be a key to our success and we have never stopped improving it.

Looking back, it is clear that what our company accomplished was not merely to find cheaper ways to make and sell already available products. Simmons created totally new product standards and manufacturing techniques which together revolutionized the bedding industry. In fact, it is no exaggeration to say that Simmons gave birth to a whole new industry.

With the new innerspring mattress ready for market, The Chief made another historic decision. He set the retail price of the Beautyrest at \$39.50. Everybody thought he was crazy, although no one in the company quite used that word to his face. After all, was not this twice what the average consumer was used to paying for the very best hair mattress? And besides, they said, there was widespread objection to the idea of a manufacturer setting any retail price at all.

But The Chief had absolute faith in the new mattress, and in the ability of advertising and sales promotion to educate the public to its values and comfort. "This time," he said, closing off the debate, "I'm going to have my way." While retailers and competitors alike laughed, the company announced the new, firm price: \$39.50. The name "Beautyrest"—destined to become our best-known brand name—was chosen without any

With the giants of an age testifying on its behalf, Beautyrest sales took off. Even Eleanor Roosevelt campaigned.

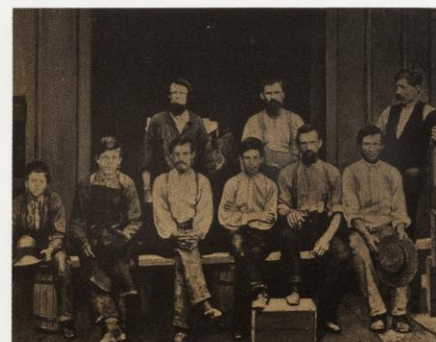
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The groom was 5'6". The bride was 5'1". Why did they insist on getting a Super size Beautyrest by Simmons?

[illegible]

old-fashioned 54" x 75" mattress was simply too small for modern super-sized Americans. Our Supersize sales grew and grew—and grew. Until Simmons took the lead in promoting the comforts and joys of bigger beds, the industry had never known such lively obsolescence.

Today, we are in the vanguard of still newer influences in the mattress field. Fashion, for one. There is a growing consumer insistence on a harmony of color and character throughout the house, including the bedroom. People want features that accommodate TV watching in bed. Today's forthright younger generation openly favors mattress characteristics that encourage the libido. In every way, Simmons is preparing to take full advantage of these new demands. After all, the first order of business for Simmons management must remain the enhancement of our competitive position in the mattress industry. Beautyrest must remain the magnificent staking point of value that it has always been in its field!



The original nine.

Kenosha, Wisconsin was a small, mid-western town. The Civil War had ended only a few years earlier. The "boss"—any boss—was inevitably a kind of father, and Zalmon Simmons filled the role to the hilt.

Our first fifty years were spent in the Kenosha atmosphere. It was the atmosphere of the Simmons baseball team called The Owls. How, people wondered, did Mr. Simmons manage to persuade so many professional baseball players to work in his bed factory? It was the atmosphere of Simmons Park, the Simmons Library, and other monuments to that attitude of concern.

Paternalism passed but the company's concern toward its employees remained. Because Simmons was early in its recognition of the place of labor unions, we avoided the worst bitterness of the 1930's. To be sure, we have had strikes. But over a period of forty years, a solid mutual respect has been built up between the company and the several important Unions that represent Simmons employees.

Today, our payroll is nearly two and a half times what it was in 1946—reflecting both the growth of individual earnings and the growth

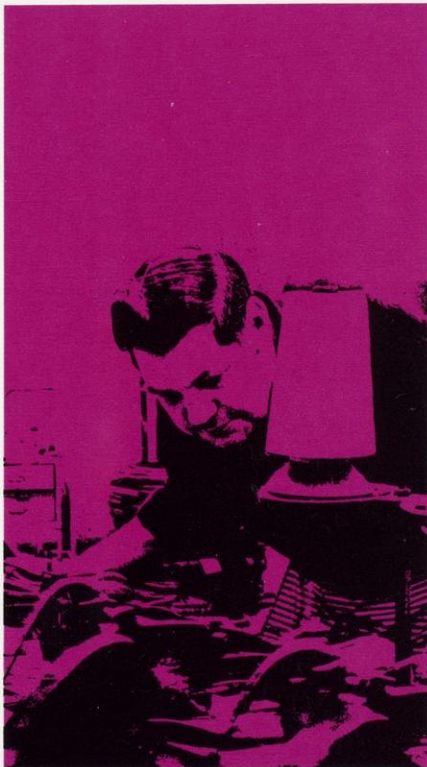
a story of
people

The familiar picture of our first nine employees is a stereotype of its era. In it, we perceive the way of life and the attitudes that flourished in America of a century ago. One of these attitudes was "concern." Today, it would be called "paternalism," but in those early years, it was only natural.

of our business. Simmons people enjoy the best fringe benefits in our industry.

Every employee participates in either a Union or one or more company health and hospitalization plans, retirement plans, and life

... the best fringe benefits in the industry.



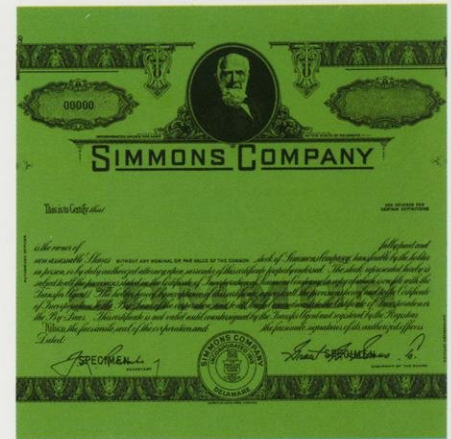
insurance plans. Everyone, excepting corporate officers, is eligible for the Simmons stock purchase program.

Another aspect of Simmons "concern" is our wide-open policy of advancement. Wherever possible, we promote from within. Consider the background of our officers. The President, Executive Vice President for Domestic Operations and the Vice President for Sales all started as cub salesmen. So did all four of our Bedding Division General Managers. The Vice President for Research and Development packed lawn swings. And so it goes, through every level of management, in every country where we do business. Indeed, a remarkable number of foreign citizens hold top executive positions in every one of our international companies.

We have always respected individuality, too—another characteristic of "concern." Thus, our management styles focuses more on results than on procedure, on deeds more than dogma. In the Simmons climate, executives at every level are encouraged to grab the initiative, to experiment, to show their stuff.

What of our future concern for Simmons people? It is obvious that there is a "chicken-and-egg" relationship between the welfare of the employee and the health of the company. Only through the skills and brains of Simmons people can we continue to prosper; and only if the company continues to prosper can we provide tomorrow's wages and fringe benefits and security.

Change, rapid and fundamental, is affecting every facet of our business and every individual in it.

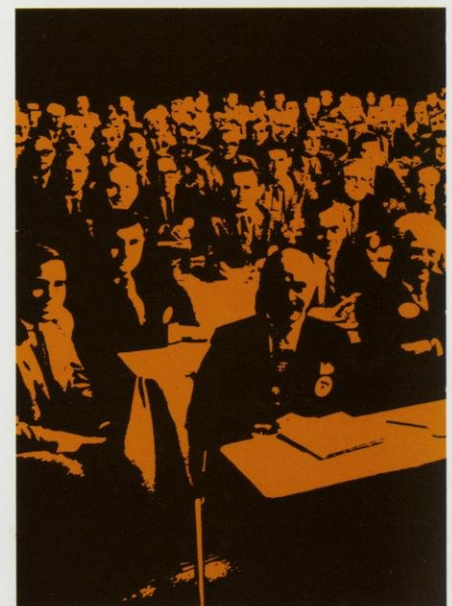


Company and employee prosperity go hand in hand.

The education explosion, the information explosion, the cultural explosion—all will have their profound effects in the next decade. The arts will influence our products. New techniques of data processing and data communications will reach into every corner of our business. All of us must move with these currents of change.

As a burgeoning federal, state

"We promote from within." Hence the need for job training at every level.



and local bureaucracy looks over our shoulder at every move we make, the complexity of everyday decisions will continue to increase. Even now, Uncle Sam has viewpoints ranging from "moral suasion" to fully muscled laws that bear on every management decision. Powerful social forces will demand ever greater corporate concern for the consumer and for the effect of our plants on the

surrounding environments. Under these conditions, management will have to grow increasingly more studious.

It will also have to spend more time at teaching. The cost of today's sink-or-swim promotion methods is escalating. We look forward to a whole range of new training efforts—to provide far more thorough and scientific preparation for new job assignments at every level.

We anticipate a chronic, long-term shortage of workers in our factories and offices. Thus, it is imperative that we sharpen the techniques of market forecasting, and production, and inventory control for our "Levelized Production Programs."

In the next ten years a new executive will move into three out of four of our top one hundred executive positions. Simmons promotes from within. The opportunities at the top are magnificent. Our abundance of executive talent is great. In the years ahead, concern for Simmons people everywhere will remain "always very fair."

a story of money

Ever since our cheesebox-factory days, Simmons has been a soundly financed company. We have consistently found the money we needed to grow and we have paid our stockholders a very fair return on their investments.

Our policy has always been to



New York in 1919.
Our new home.

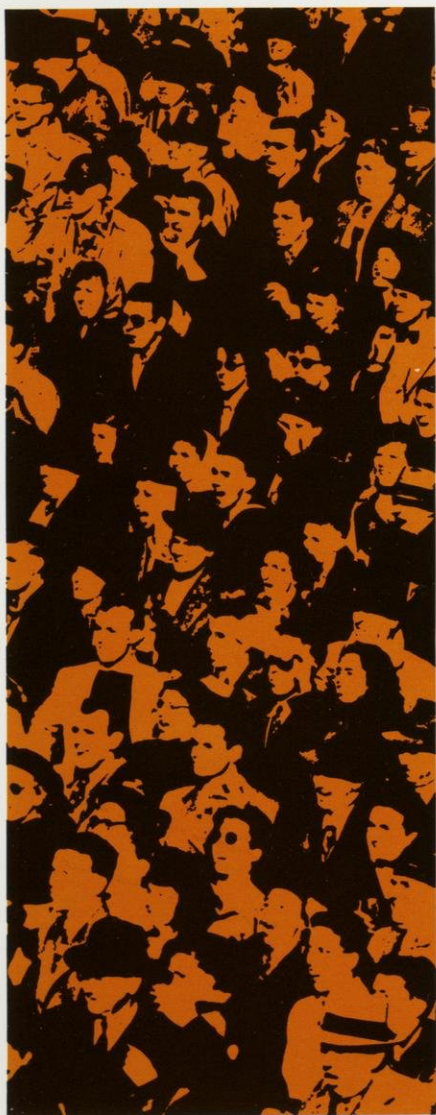
keep our plants in first class condition and to build or buy whatever equipment we needed to remain the leaders of our industry. Furthermore, we have a record of one or more corporate acquisitions a year for the past fourteen years!

Between 1949 and 1969, our acquisitions and capital investments amounted to \$91,300,000, and after this considerable investment, our total long-term indebtedness is only a very little greater than it was in 1949. How The Chief would have appreciated this record!

The second Mr. Simmons was, beyond all else, a money man. He was a risk-taker reputed to have played golf for an automobile a hole. He loved cars, machines, inventors and inventions, new ideas, advertising—and money. When he became President in 1911, Simmons was a well-known company with a single local base, Kenosha, Wisconsin.

He won his nickname "The Chief" by making Simmons a national company. From him stemmed the thrust that started the company toward its present preeminence. A

The education explosion, the information explosion, the cultural explosion. We have to move with these currents of change.



few examples of his energy and vision:

- During and just after World War I, he acquired several small mattress companies in Newark, Atlanta, San Francisco and Montreal.
- In 1919, he moved corporate headquarters to New York.
- In 1924, he arranged for listing of Simmons Common Stock on the New York Stock Exchange.
- In 1926 he launched the Beautyrest mattress.
- In 1929, he acquired B. F. Huntley of North Carolina; Berkey and Gay of Grand Rapids; and the Rosemary and Patterson mills in Roanoke Rapids, North Carolina.

Alas, this shining period of progress ended with the Crash in 1929. In three days Simmons stock fell from \$188 a share to \$98. By 1932, it hit an all-time low of 2 $\frac{7}{8}$ a share. From 1930 through 1934, the company experienced the only loss years in its history.

For the third Mr. Simmons, Grant Simmons, Sr., the great depression was a baptism of fire. He became President in 1929—the worst possible time to become president of any company. Simmons was a bit of a shambles. We were a national business mostly on paper. Old Kenosha ideas rasped against new viewpoints, east, south, and west. Control over regional products, prices and policies were ineffectual and often quixotic. Worst of all, we were weak financially.

Grant Simmons, Sr.'s rehabilitation of the company under

these conditions will always remain one of the proudest chapters in our history. Just when we were at rock bottom, on a very black day on the New York Stock Market, he completed the \$15 million loan that kept our corporate head above water. Later, he retired the bulk of this loan at a very handsome discount.

Then, with the assistance of Messrs. Guthrie, Terrell, Burke, and Wrightson, he put the company back on its feet. They liquidated our investment in the Berkey and Gay and B. F. Huntley furniture companies—now a “horror case” at the Harvard Graduate School of Business Administration. By 1933, they nursed operations to a break-even point. By 1935, we were

Grant Simmons, Sr.



The New York Times.

Copyright, 1955, by The New York Times Company.
NEW YORK, TUESDAY, OCTOBER 25, 1955.
**STOCK PRICES SLUMP \$14,000,000,000
IN NATION-WIDE STAMPEDE TO UNLOAD;
BANKERS TO SUPPORT MARKET TODAY**

**Europe Is Disturbed
By American Action
On Occupation Debt**
London Urges an Explanation
of Move for Direct Payments
by Germany.
BANK'S PRESTIGE INVOLVED
British and Continent Felt That
the Do Not Have Faith in
Young Plan Institution.

Scheme Is Laid to Hooker
President Is Said to Wish to Avoid
Plan to European Bank Lending of
Reparations and War Bonds.
By SENATOR J. EASTON
The Senate today took up the
Young Plan for Germany, the
first step in a series of moves
to settle the reparations debt of
the nation. The plan, which
provides for the payment of
reparations in a series of
installments, was introduced
by Senator J. Easton, of
New York, and is expected to
pass the Senate in the near
future.

**Unsettled Torrent of
Liquidation Again
Rocks Markets.**
DAYS SALES \$2,172,000
Nearly 3,000,000 Shares Are
Traded in Final Hour—The
Tickers Lag 167 Minutes.
NEW RALLY SOON BROKEN
Selling by Europeans and "Mob
Psychology" Big Factors
in Second Big Break.

The second barometer of liquidation activity that came out this morning yesterday, it was estimated, was a reflection of the fact that the market was still in a state of uncertainty. The volume of trading was heavy, but the price movement was not as strong as it had been in the previous days. The market was expected to be unsettled for some time.

**AIRLINER IS LOST 'BANKERS MOBILIZE
WITH \$ IN STORM FOR BUYING TODAY**
Last Reported Heading for New
Mexico Region Where the
T. A. T. Plane Crashed.
SEEK NEAR MOUNT TAYLOR INVESTMENT TRUSTS TO AID
One of Passengers on Crash
Bound East to W. E. Marx
Price Are Now Attractive
and Money Is Plentiful.

The crash of the T. A. T. plane, which was reported to be heading for the New Mexico region, has caused a great deal of concern among investors. The plane was carrying a large amount of money, and its disappearance has led to speculation that the money has been lost. The market is expected to be volatile for some time.



The Crash nearly finished us. Above, the team that helped Grant Simmons, Sr. put the company back on its feet.

once more a profitable company and we have remained profitable ever since.

During World War II, the same management team led the company through the difficult conversion to war production. We made a broad variety of military items, from shells to parachutes to tents, and three of our factories were awarded the Army/Navy "E."

After the war, Simmons flourished with the post war boom. Our newest product, the Hide-A-Bed Sofa, made its spectacular debut. By the time Grant Simmons, Sr. retired in 1957,



Since the 30's, steady growth . . .

our corporate net worth was \$56,114,09—just double what it was when he took over. And we had matured into a truly national company with a national management, and a sound financial base.

Our story of money would not be complete without mention of our wholly owned financial subsidiary, The American Acceptance Corporation. Formed in 1931 to factor for our textile mills, it was soon helping certain good-risk dealers finance larger carload orders with recourse to Simmons parent. This "with recourse" wholesale credit business has grown. Today, American Acceptance has many customers making a broad array of products from rugs to air conditioners to boats. Less than ten percent of its total is now Simmons business.

Your present management is especially proud of the profit record for the years of its stewardship. In

. . . consistent dividends . . .

SIMMONS COMPANY 825
DIVIDEND ON COMMON STOCK OF THE SHARE
PAYABLE SEPTEMBER 15, 1955 TO STOCKHOLDERS
OF RECORD SEPTEMBER 15, 1955

TO THE ORDER OF: JOHN S. DOE, JR.
150 MAIN STREET
DES MOINES, IOWA

TO THE NATIONAL CITY BANK
AT NEW YORK, N.Y.

AMOUNT: \$35.00**

SEPTEMBER 12, 1955

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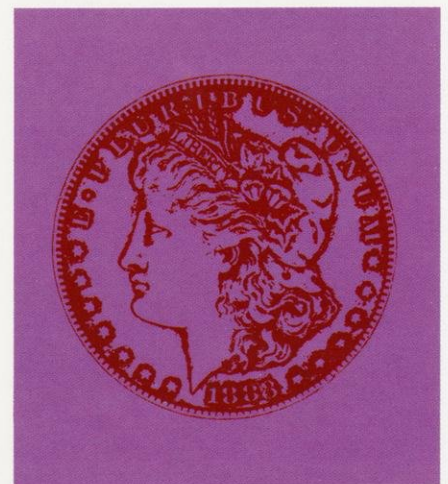
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1968, a net income of \$8,551,000 plus depreciation of \$3,482,000 gave Simmons a positive cash flow of \$12,033,000. It should be pointed out that most of our acquisitions, both domestic and foreign, were purchased out of normal cash flow rather than by issuing new shares of stock. Further, in those cases where stock has been the vehicle for financing an acquisition, there has been no dilution of earnings per share. This program has produced a constant growth in each shareholder's equity.

. . . a fair profit.



We are also proud of our dividend record. Our policy has been to pay between 50 and 70 percent of earnings after taxes as cash dividends to our stockholders. We believe our quarterly dividends should be stable and less subject to fluctuation than our earnings. Hence, our use of the year-end extra dividend as a means of carrying out our dividend distribution policy.

Certainly this money story is sometimes magnificent, often great, always very fair.

a story of materials and machines

Few manufacturers work with as wide a range of raw materials and with as many different technologies as Simmons. Further, our most important raw materials involve aesthetics in one way or another—fashion, color, form, texture, etc.

First, of course, come textiles. To cover our mattresses and Hide-A-Bed sofas, we now spend about \$20 million a year on 82 million linear yards of textiles. That is enough to circle the earth twice and it includes every color, pattern and texture appropriate for mass retailing. Over two thousand sewing machines in our plants keep busy sewing these fabrics. They eat up close to a million dollar's worth of thread and twine a year. So you can see what a responsibility it is to select, test, buy, store, and apply our textiles.

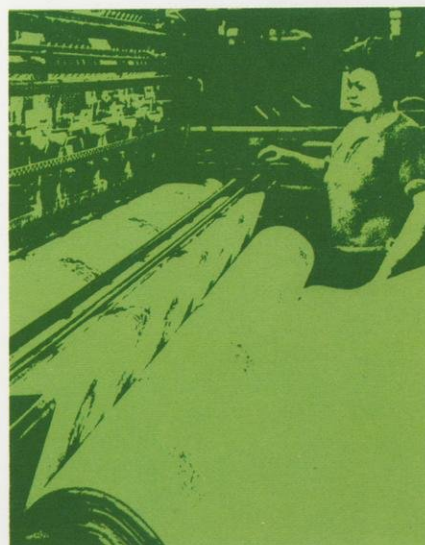
Simmons is a major user of steel—nearly 160,000 tons annually of sheet steel, strip steel, bars and shaped angle iron and low and high carbon spring wire. Our 134 Beautyrest Automatic Pocket Machines consume four miles a minute of just one type of high carbon wire.

To insulate the sleeper from the innerspring construction, we use cotton felt or polyurethane foam. Our annual consumption: forty-five million pounds of cotton linters and nearly sixty million board feet of polyurethane. Similar impressive statistics could be cited for the wood in our boxsprings and sofa frames,



paint and stains, packaging materials, nails, tacks, staples by the ton, and so on and on. And we have not even touched on the materials consumed by our affiliates who are not in the mattress business.

Our Vice President for Purchasing is responsible for the bulk of Simmons' annual \$100 million shopping list. He deals with hundreds of companies, large and small. These suppliers are an important factor in helping us maintain our leadership and we do our best to inspire the most favorable long-range treatment from them. We



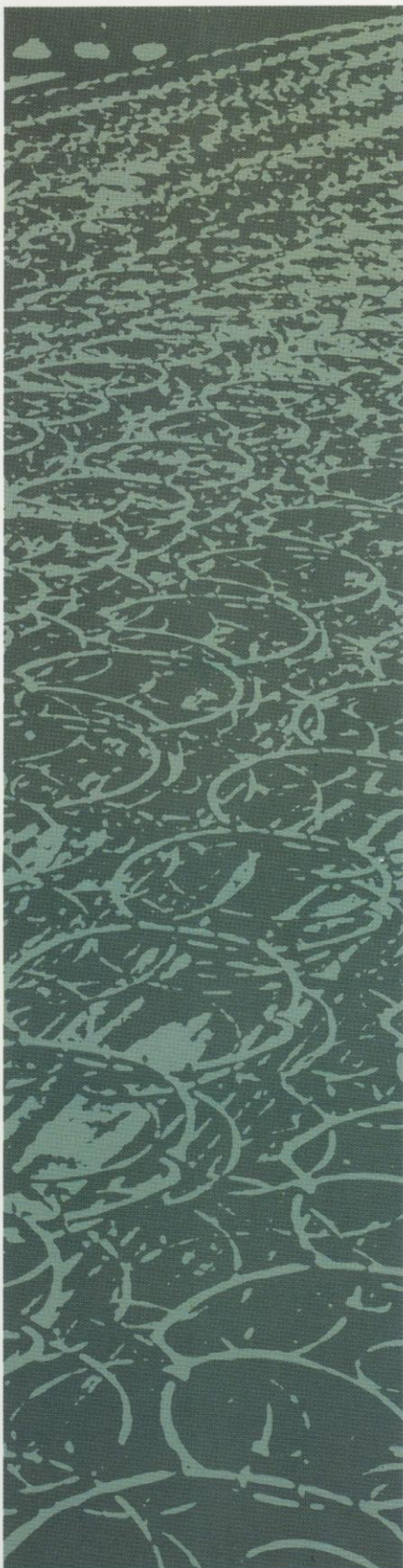
aim to be a "favorite customer." We are eager to learn about new developments as early as possible. We are always ready to work with suppliers to improve current products.

All these materials are consumed in 58 plants around the world. In our bedding plants alone, there are 6,300,000 square feet or about 144 acres! As much area as 132 football fields!

Huge? It certainly is. It adds up to



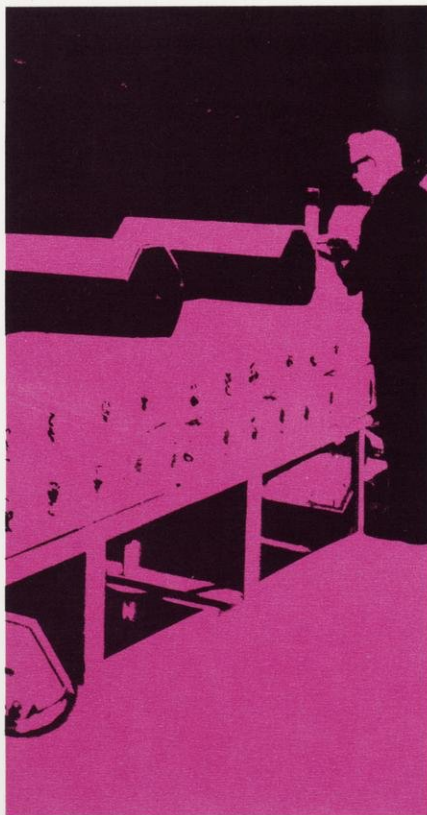
*How to make 20,000 mattresses a day:
three stages of production.*



a daily single-shift capacity of nearly 20,000 mattresses, which makes us far and away the biggest mattress manufacturer in the world. And the same plants have a simultaneous daily single-shift capacity of about 1400 Hide-A-Bed sofas.

All this production muscle is backed up by a unique Simmons institution—our National Technological Center in Munster, Indiana. The "NTC" operates its own building, with offices, laboratories and experimental shops. It is responsible for plant layouts and production methods and processes. It issues and supervises our national specifications for all merchandise, and our standards of quality control. It is responsible for equipment

*At the NTC,
we never stop testing.*



procurement and maintenance standards. It supervises and coordinates incentive rates. Finally, the NTC keeps up a constant study of competitive merchandise, to make sure of our continuing product superiority.

This year our bedding plants will turn out five million units. Naturally, there is bound to be an occasional lapse in poor workmanship, or materials. But how rarely! Our quality control is the most rigorous in the industry. We believe our product quality at this very high level of production is a truly magnificent achievement.

a story of markets

From the start, we have been sales oriented. Profoundly so. Marketing considerations have always come first because, without healthy sales, we cannot do anything for ourselves, our people, our stockholders, or our customers.

Our story of marketing is a story of many successes and—let us face it—a few failures. Over the years we have made every kind of marketing mistake you could think of, and we learned from each one.

Some of our more magnificent mistakes resulted from mass marketing products that only worked in the laboratory, and then with materials that were too costly for the assembly line. An early example was the Simmons Hydro Vacuum Cleaner that worked—but often did not work—off your kitchen faucet.

Why, sometimes it even backwatered! A final example: our experience in the electric blanket business. We made enough mistakes there to lose several million dollars, but we probably gained more than that in lessons learned.

In retrospect, our failures seem funny now only because we have had far more successes. In the long range, our marketing philosophy has worked magnificently.

The core of that philosophy was expressed years ago in an advertisement signed by The Chief. "I want partners . . . not just dealers," ran the headline. It is still true and it is going to remain true in the years ahead.

The leading furniture and department stores really are our partners in the chain of selling. We do not have the capacity or the ambition to take over the retailing of our products. That is the retail merchant's function and he is an expert at it. Our retailing job is simply to help the merchant move more Simmons products through his store. To that end, we have built up a great reservoir of merchandising know-how. We are constantly searching for new retailing insights to benefit our customers.

Over the years Simmons has developed a number of very special marketing advantages for the retailer.

We give him service. Our plants are strategically located to serve major markets, and our "Simmons Service Station" warehouses stock bedding products in sixty-six other cities. No other manufacturer provides him with that kind of service.



An early goof!

We give him profits. Our sales policies have always been founded on the conviction that the retailer is entitled to a very good profit on our products. Most importantly, we fair trade Beautyrest mattresses wherever it is legal. This firm price has served as the very "ridge pole" of mattress department profits, and a key to home furnishings retailing in general.

The Chief's marketing philosophy, "I want partners . . . not just dealers," still holds.

"I want partners . . . not just dealers"

The furniture industry is like the weather—everybody talks about it but nobody does anything about it.

It's about time we stopped talking and went into partnership. Then we can do something constructive for the furniture business. Retailers who can see the picture as I see it, will be welcome as partners. We have a big job to do together.

What a situation this is!

The public are trying to buy good furniture but we furniture experts haven't told them just what good furniture is. They want to pay fair prices but we haven't set prices that we will maintain as fair.

And if Mr. John Smith could see the way some of our individual businesses are run . . . they'd probably continue to spend her money for clothes and automobiles instead of furniture, until we put our house in order. There are furniture stores in this country that are going out of business right now . . . what with lack of thinking, selling on price only instead of on style or value, offering unknown, unwashed brands, etc. And some manufacturers are so blame, also, for poor furniture advertising, the "spiff" evil, uncertain values, etc.

The furniture field is waiting for someone to come along and do an outstanding job. I believe that all of us, as Simmons partners, can do a great deal of good . . . for the industry, for the public and for ourselves. By taking a profit, so that we can keep in business and out of hot water by not taking an immediate profit one day and cutting prices the next. In partnership all along the line.

I am going to spend a million dollars in 1950 advertising Simmons products. I want partners to advertise with me, so and the public to buy intelligently and with assurance.

I am picking partners—not just "dealers." There is no limit to the cooperation, the protection, I will extend to my partners—working along with me and the accomplishment of a great deal. You and I together have a great opportunity. This is an age of home-making. We are called upon to help beautify the American home. In doing this as partners, you and I can lead the furniture industry into a more worthy future, brighter with service as well as with profits.

J. C. Simmons

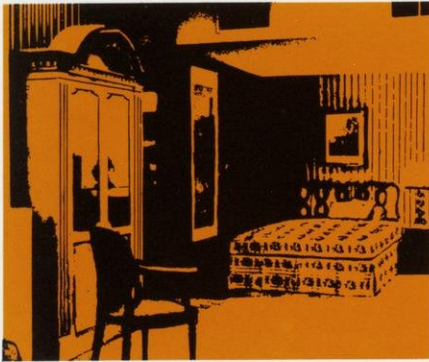
REPRESENTATIVE OF THE BEAUTYREST LINE

We give him visual merchandising aid. Most bedding departments today give little indication, by their position, size or appearance, of their importance to the merchant. Simmons is working to change this. Our Second Century Visual Merchandising Programs are designed to feminize the bedding department—to make it as glamorous and inviting as a lady's own boudoir—and to highlight the Beautyrest Line—the top profit producer.

We give him reliable products. Our products are uniform and consistent, coast to coast. No other manufacturer, bar none, delivers uniform quality over any sizable geographic area.

Beauty rests on Beautyrest.

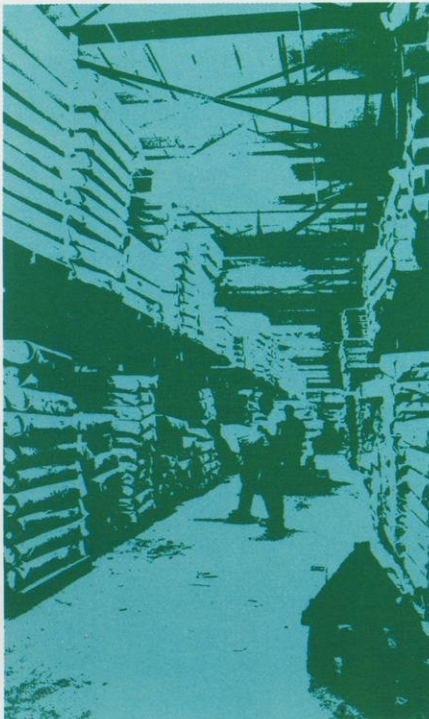




The bedding department. It can be as glamorous as her own boudoir.

We give him the best known names. In other words, we are heavy, consistent, long-term, successful national advertisers. Through advertising, the names "Simmons" and "Beautyrest" have become the best-known sleep names in the world. By putting the bulk of our advertising dollars behind our top-priced product, we have made

One of 66 Simmons Service Stations.



Which mattress would you rather sleep on?

A lot of people don't bother to find out how a mattress feels before they buy it.

They try to find the same people who won't buy a mattress without looking under the hood.

The same people who read the label to see what is every one of their best buys.

The very same people who spend about eight hours a day sleeping on a mattress.

To prove there's a difference between your mattress, we took the cover off the side of a Beautyrest mattress and laid it flat.

Ordinary mattresses have coils that are all wired together. One coil can't move

without the others. So when you lie down, they all sag together. Lie down on a Beautyrest mattress, like the first one, and your spine will tell you.

There are ordinary mattresses, so "they" they won't give an inch. They won't give your back the support it needs, either.

Lie down on the second mattress, and you'll be dropping on your hips and shoulders. And your spine will drop in between.

It's that Beautyrest difference. The inside.

It's made of separate, individually pocketed coils. So each one is free to move independently in the weight and movement of each and every part of your body.

That way, your back gets its own firm

back support. Your hips and shoulders, too, get their special support. They

don't sag together. Because it works for each of you the same way it works for each part of you.

That's why you can get every part of your body a good night's sleep.

After all, you can't get a mattress with your spine curved. But that doesn't mean you should buy one that way.

Beautyrest by Simmons



A Beautyrest supports both of you the same way it supports each of you.

It's pretty hard for a marriage to be a bed of roses without the right mattress.

Just because one of you doesn't like to be a little bigger than the other. And there's a problem when you both lie down on an ordinary mattress.

Ordinary mattresses are made of coils that are all wired together. So they all sag together. Right towards the place where the heavier part of the heavier person happens to be. And that can make the rest of the night a little harder to get the support for that needs.

There's one mattress, though, that supports each of you the same way it supports each of you.

That's why the only under your back

feels supported only your back. The coils under your legs, only your legs. When you lie together, you can't move together. You're stuck, arms, legs, and head.

And except for a sigh or a snore, or a great or two, you won't have your

spine in there. Because the Beautyrest

lets you're sleeping on won't be all

about to make that night's movement. And for couples who won't let anything come between them in the other

time, but like some space in between them at night, the Beautyrest is available

in separate.

With separate coils, you get 100 more room

than you need. It's more

Beautyrest gives every part of your body a good night's sleep.

Without letting your better half

take up the lower half of the bed.

Beautyrest by Simmons

The Double-Double Bed. It helps you decide which new Simmons mattress is right for you.



Our double-double bed was made for only one person at a time. It's a full-size demonstration model that's Simmons' new LaGrande on one side. And our new extra-firm Back-Shield on the other. It makes it easier for you to decide how firm a mattress you really want to buy.

With the double-double bed you won't forget exactly how one mattress feels because you had to get up and try another one.

All you have to do is roll back and forth to make up your mind.

Both LaGrande and Back-Shield look the same, because both have the same rich, heavy rayon satin cover.

It's Semi-Seal® treated to keep it fresh, germ-free and mildew resistant.

Both have coil-over-coil construction, each one of the 31.2 coils

in the mattress has a supporting coil in the box spring under it.

So the mattress that supports you gets the right support.

But even though they look alike, they feel very different.

LaGrande is one of the most luxurious, body-pampering mattresses ever made.

So the mattress that supports you gets the right support.

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Consistently the number one advertiser in the industry.

it possible for the retailer to sell the general public better bedding at a better profit. It is the average wage earner and not the rich man who is the best customer for Beautyrest and the Supersizes.

Simmons Company is often cited as one of the outstanding advertising successes of all time. Certainly advertising has played a key role in a magnificent marketing story.

a story of citizenship

Simmons Company's record of corporate citizenship is one we can all be proud of. On this occasion, your management renews its commitment to those responsibilities that must accompany the right to a fair profit.

We have always been concerned with being a good neighbor in a physical sense. Our plants are neat and handsomely landscaped. They are quiet. At all our plants, wastes are carefully compacted and removed or incinerated.

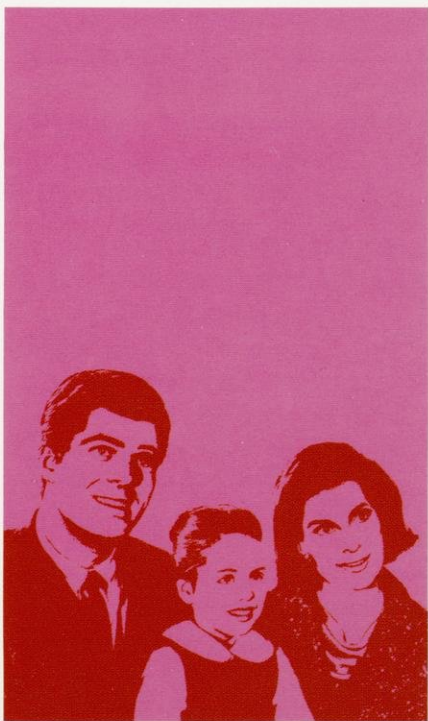
Our philanthropy record is very fair. In every plant community we have long supported the Community Chest. We contribute to neighboring hospitals and health agency drives, notably the Red Cross. For years we have contributed to the National Fund for Medical Education. We support higher education in general through our Matching Gifts Program. In 1970 we will underwrite scholarships for any child of a Simmons or subsidiary employee

who qualifies in the National Merit Scholarship program.

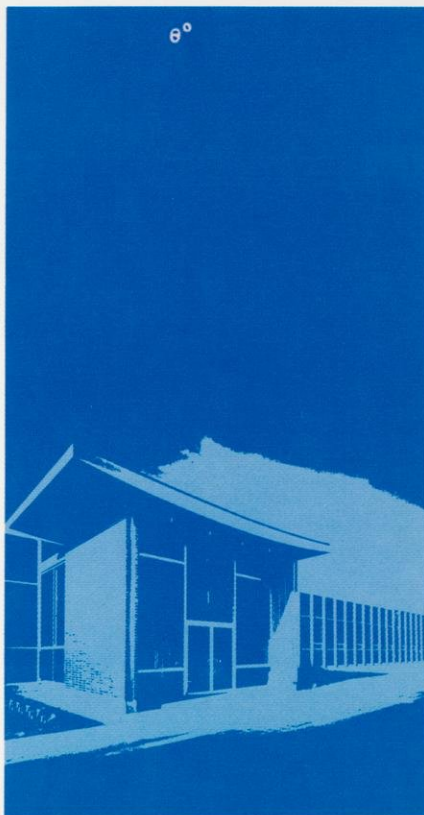
We have always been very fair with the consumer—the final arbiter of our destiny. “Mr. Simmons stands behind every bed” is more than a joke. We do stand one hundred percent behind our products. Indeed, we were the first in the mattress industry to give a stated warranty against structural defects.

Perhaps the most dramatic example of Simmons’ concern with the consumer is our million dollar plus investment in pure research into

*Ours is a story of concern for people,
for our plant environments,
and for the communities where we work.*



human sleep. Our first sleep research in the 1930's was the earliest such investigation ever made. Dr. Harry Miles Johnson of the Mellon Institute worked six years under a Simmons grant taking millions of



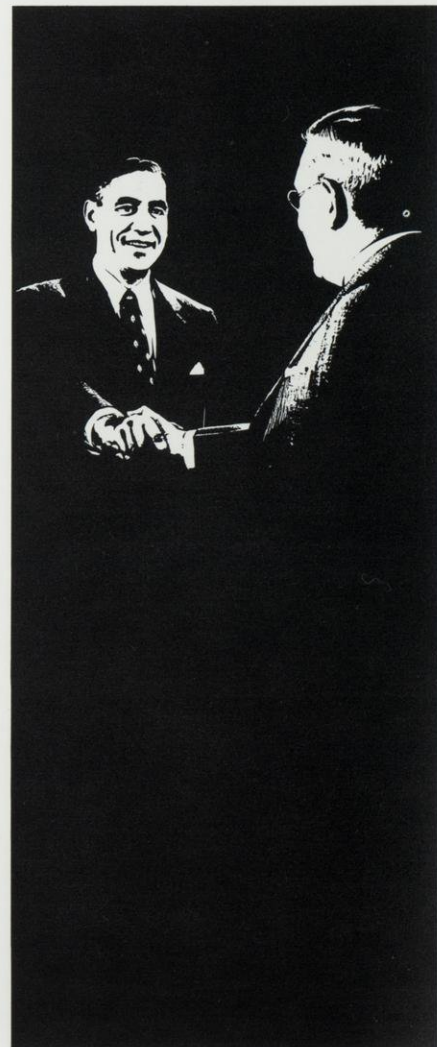
measurements, to establish the way in which the body periodically moves in sleep to rest first one set of muscles and then another.

After World War II, the Sleep Research Foundation, again supported by a Simmons grant, conducted an eleven-year series of investigations into sleep. An array of sophisticated electronic devices were designed specially for the study. They measured and correlated brain waves, heart beat, respiration rate, muscle tension, skin temperature and body movements.

The result was the first scientific proof of a number of assumptions people had long held about sleep. We learned invaluable facts about the dynamic and ever-changing phenomenon of sleep and about the importance of the sleeping surface.

We received objective, scientific proof that the Beautyrest with its pocketed coil construction is the best support there is for restful, truly recuperative sleep.

Because Simmons is concerned with real consumer benefits and not just claims, we are continuing our pure sleep research in a variety of ways. In addition, NTC constantly studies all our ingredients to make sure of consumer safety from every possible viewpoint. Simmons is the hallmark of quality in sleep products; we will continue to merit the consumer's faith and confidence.



*Simmons—where the action is
in Home Furnishings.*

a story of diversification

Most people are surprised when they learn that Simmons is in a lot of other businesses besides bedding. Some of these affiliates are administered as independent divisions of the corporation; others operate as completely independent businesses. Certainly each of them is making its own distinctive contribution to the Simmons success story.

SIMMONS CONTRACT DIVISION

is responsible for our leadership in the health care field, the innkeeping field and the educational field. Simmons Company manufactures every kind of furniture a hospital uses, including a wide range of patient furniture with the famous "Pace" construction features. These include a unique seamless drawer construction and an extremely rigid cabinet of A-frames and rolled sheet metal. Our Contract Management and our National Technological Center are constantly working together to improve the function and appearance of our furniture.

THONET INDUSTRIES

and its subsidiaries in Wisconsin, North Carolina, and Pennsylvania were acquired in 1962. After 110 years in the U.S.A.,

Thonet occupies a unique position in wood furniture for public use. You will find its chairs, tables, sofas, etc. in schools, colleges, cafeterias and other buildings like the United Nations, the TWA terminal at Kennedy Airport and the Chase Manhattan Bank headquarters. Thonet has greatly strengthened our position in the institutional field generally.

HAUSTED DIVISION

makes and markets a full line of specialized patient handling equipment. Its products are found throughout the hospital, but especially in the intensive care recovery room. In 1968, fast-growing Hausted moved into new manufacturing facilities.

KATZENBACH AND WARREN

is a leading manufacturer of high-fashion wall coverings. It makes roller-printed wallpaper in the U.S.A. It also imports cork and other exotic wall coverings such as grass cloth and rice paper from Europe and the Orient. The company manufactures reproduction wallpapers for Colonial Williamsburg, and the well-known Greenbook line. Its products are sold to interior decorators through showrooms in New York, Philadelphia, Washington and Chicago, and through about fifteen hundred prestige franchised dealers. Katzenbach and Warren works closely with Greeff Fabrics to strengthen our position in the decorator field.

GREEFF FABRICS

is a leading supplier of high-fashion fabrics for draperies and upholstery, wallpaper and carpets. It sells to interior decorators, department store decorating departments, and manufacturers of upholstered furniture. Greeff designs or purchases designs, buys fabrics, and subcontracts printing.

About half its fabrics are made abroad, mostly in Europe. The acquisition of Greeff gives Simmons new channels to the decorator trade. In addition, the fashion authority of Greeff supplements our own.

JUVENILE PRODUCTS DIVISION

manufactures wood cribs, bureaus, chests and chairs for children. Originally, this business was founded by Thomas Edison Company to make phonograph cabinets. Since acquiring it in 1965, we have substantially increased its capacity in anticipation of a growing juvenile market in the century ahead.

MOREDDI

is a leading importer and wholesaler of high-fashion avant-garde furniture to top department stores, furniture stores and interior decorators. In many ways, its business closely complements that of Raymor/Richards, Morgenthau.

RAYMOR/RICHARDS, MORGENTHAU

is a national distributor of contemporary home furnishings: lamps, wall decor, dinnerware, smokers' articles, specialty furniture, craft-related products in ceramic, wood, metal and crystal, and much more. Indeed, Richards, Morgenthau is the oldest and largest wholesale distributor of accessories in the country. For the most part, it does not manufacture but acts as selling agent for a roster of American and European factories that work under its direction and style supervision. The Raymor division acts as importing arm for European products. Its customers are the country's most prestigious furniture and department stores.

SELIG MANUFACTURING COMPANY

founded in 1931, is a prestige manufacturer of high fashion contemporary upholstered furniture. Selig is a leading importer of contemporary wood, steel, and glass furniture. The corporate headquarters and principal manufacturing plant are located in Leominster, Massachusetts. Other manufacturing plants are located in Monroe, Louisiana, and Siler City, North Carolina. Selig furniture is sold directly to a select group of leading department and furniture stores, most of whom are also Simmons customers. Selig maintains showfloors at New York, High Point, Chicago, Los Angeles, and San Francisco.

YORK-HOOVER

located in York, Pennsylvania, is a major manufacturer in the United States of top-quality wood and metal caskets. The company supplies finished caskets directly to funeral directors and it also sells to distributors who buy wood casket "shells," and then finish them to the local funeral director's specifications. A casket is essentially a specialized piece of furniture, involving the same technologies—even the same unions. Therefore, we expect a valuable exchange of production know-how will make the casket field a logical and solid diversification that will strengthen our technical resources.

ELGIN METAL CASKET

is the country's leading maker of high-quality metal casket "shells." This acquisition is a logical extension of our investment in the casket field. Elgin and York-Hoover do not compete; they make different products, sold through different channels, serving different segments of the industry. Elgin makes only steel, copper and bronze "shells," which are sold only to local distributors who install interiors and resell to funeral directors.

CANADA

represents Simmons' oldest and most valuable subsidiary. Simmons Limited Canada has always been one hundred percent managed by Canadians. Its product line parallels that of the U.S.A. with appropriate Canadian differences. The company operates plants in Montreal, Toronto,

Winnipeg, Calgary and Vancouver. Its basic bedding business has prospered in the post-war economy. Simmons Limited has pursued its own acquisition program. Its very successful contract division and its new Thonet and Selig affiliates are healthy, thriving businesses.

OUR INTERNATIONAL DIVISION

is responsible for Simmons subsidiaries in many countries. The technology and marketing knowledge available to us in the U.S.A. is carried abroad and translated into each country's equipment capacity and market requirements.

Compania Simmons, S.A. de C.V., Mexico, operates plants in Mexico City, Guadalajara and Monterrey. Its business has grown ten-fold in the past twelve years.

Simmons Venezuela, C.A. is the country's leading maker of bedding and a major supplier of seats for cars and trucks.

Our healthy but small subsidiary in Argentina has grown slowly because of our unwillingness to increase our investment in a volatile economy. We look forward to the day when it will seem prudent to develop this important market more fully.

In England, Simmons operates as Sleepzee Limited. Its business has continued to improve, despite the adverse economic climate of recent times.

In France, Cie. Continentale Simmons is a leading manufacturer of bedding. It also controls Compagnia Italiana Simmons s.p.a. in Italy; Societe Algerienne Simmons

in Algeria; Societe Anonyme Marocaine Simmons in Morocco; Compagnie Africaine Simmons in Senegal; and Societe Ivorienne Simmons on the Ivory Coast. We are enthusiastic about the long-term prospects in France and the Common Market in general.

Simmons Bedding Co. Pty. Ltd. in Australia is the country's leading bedding manufacturer, with plants in Sydney, Melbourne and Brisbane. We expect continuing, sound growth in this excellent market.

Simmons Japan Limited is our smallest overseas manufacturing operation but it is growing fast. With the westernization of Japanese tastes proceeding apace, it may someday be one of our most important foreign markets.

and what of the future?

We are often asked, "Where is Simmons Company going?". The answer is simple: we expect to be where the action is in the home furnishings and contract furnishings fields. Furthermore, we expect to grow wherever we find parallel and allied marketing and/or manufacturing technology.

We are going to cultivate the home furnishings market from every vantage point. Internally, we aim toward the growth of our mattress and upholstered furniture business. And we'll continue to acquire profitable, established companies whose prestige enhances our own—

especially in the areas of fashion and style. We look for acquisitions that give us new products and marketing channels in the home furnishings field.

In the decades ahead, we expect the American consumer to demand more and more individuality in home decoration. We think the market will favor companies with the broad resources that permit not only a coordination of style and fashion, but also new improvisations in designs, materials, textures, colors, functions and furniture periods. It will be the day of the individualistic "total look" in home furnishings. And past successes convince us that Mrs. Consumer will trade herself up whenever she gets the chance. We plan to give her every chance.

In our acquisition program, we are primarily concerned not with size, but with profitability, character, and personality. We want *the best* for Simmons. By being the best, we are confident we will enjoy our very fair share of a burgeoning home furnishings market.

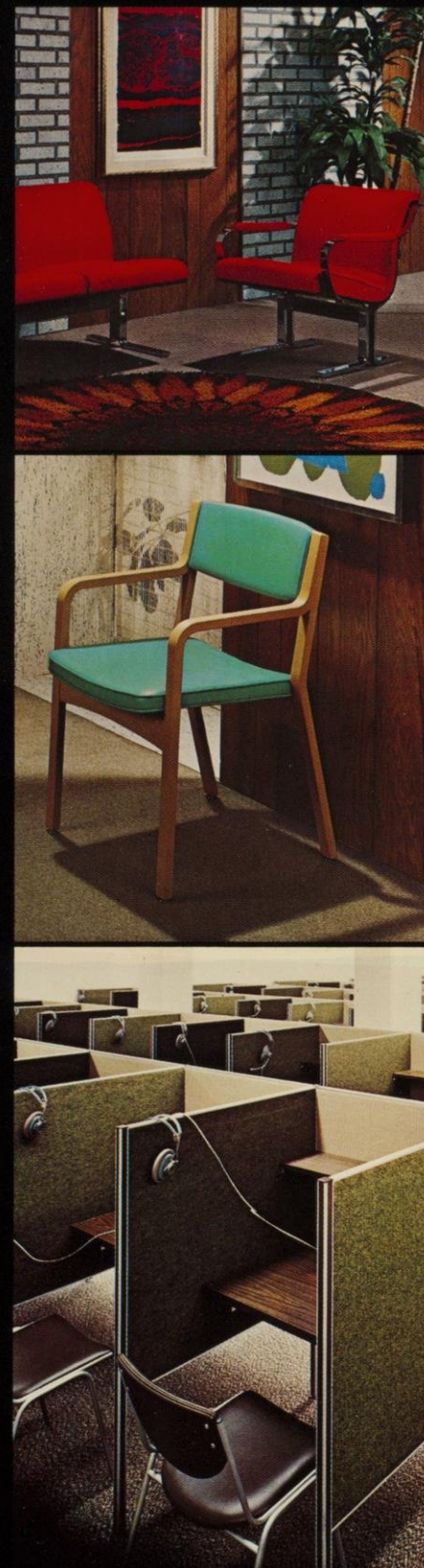
This, then, is Simmons Company—where it has been, where it is, and where it is going. In this growing world and dynamic economy, we see a tremendous future for our company.

In 1900, the first Mr. Simmons wrote, "Optimism is the only outlook possible to a man who has spent sixty years in American business."

We feel the same today. As we celebrate Simmons Second Century, we proclaim our own great optimism. Home furnishings is a field with sparkling promise and dynamic growth. We know Simmons' achievements will remain—sometimes magnificent, often great, always very fair!



GREEFF FABRICS



THONET INDUSTRIES



SIMMONS CONTRACT DIVISION



HAUSTED DIVISION



INTERNATIONAL DIVISION



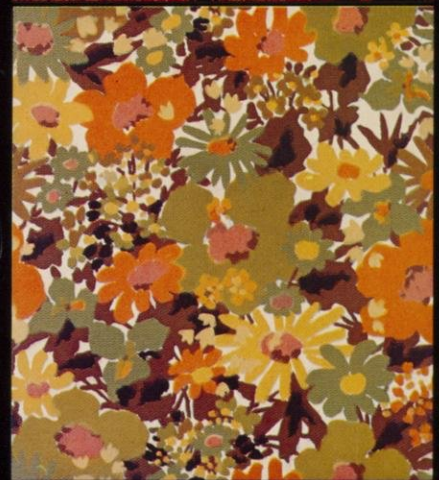
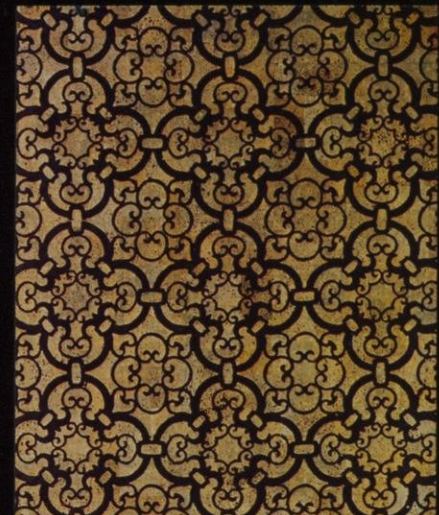
JUVENILE PRODUCTS DIVISION



MOREDDI



SELIG MANUFACTURING COMPANY



KATZENBACH AND WARREN



RAYMOR/RICHARDS, MORGENTHAU



Beautyrest, the mattress built to conform to Senta Berger.

You've got to admit she's special. Nobody else has curves like Senta Berger. But like everybody else, she feels better if her back is properly supported when she lies down.

A Beautyrest® mattress supports her

properly. Because it's built differently. With separate coils. So each is free to give under Senta's hips and shoulders. And under yours. At the same time, the coils are free to firmly support the small of her back. And yours.

By conforming to your shape, Beautyrest doesn't have to be hard to be firm. Or soft to be comfortable.

You can't get more from a mattress unless you buy more of a Beautyrest. Queen size gives you 20% more than

old-fashioned double beds. King size, gives you 50% more. Beautyrest mattresses are now treated with Scotchgard® Fabric Protector to resist spots and stains for years.

Choose Simmons' normal-firm

Beautyrest Supreme. Or Beautyrest Back Care for extra-firm support.

Try a Beautyrest. We built it to conform to Senta Berger. And you. And that's exactly what it does.

Beautyrest by Simmons

makes every part of your body a good night's rest.

SIMMONS



second century

For a free booklet, "How To Buy A Mattress," write Simmons, 2 Park Ave., New York, N.Y. 10016. Copyright © 1970, Simmons Co. Suggested prices start at \$89.95, except in Fair Trade States.



Rogue 5 in 6088 Pongee Stripe from Golden Value Savings Collection. About \$490. Most fabrics protected by **ZEPEL** Soil/Stain Repeller.

THE HIDE-A-BED SOFA BY SIMMONS FOR THE WAY WE LIVE NOW.

Spur-of-the-moment. That's how we are now. A sudden "Hey, let's—" and we're ready to go. For a night on the town. Or a day in the country. Or we'll just say to friends, "Come stay for the weekend."

That's what the Hide-A-Bed® sofa is for. For having friends over whenever you want to. And Simmons can give you a sofa you'll love. (You won't have to settle for Yesterday Style, just to get the hidden bed).

You like Modern? We've got Modern. Vinyl fabrics.

Geometrics. Polished chrome. As you like it.

We've also got all the *other* styles. And we're geared to give you custom options and a choice of over 300 fabrics. And every sofa gives you a bed. With a full-length Simmons Regency® or Beautyrest® mattress—Single size to Super size. Beautifully hidden. Beautifully comfortable. Priced, from about \$200 to \$1,000.

When Simmons can give you just the sofa you want, isn't it nice there's a bed in it, too?





