

## **Protect-A-Bed® Company History**

Protect-A-Bed® offers consumers a complete line of protective bedding products because every mattress needs protection. Now selling in 30 countries for more than 30 years, the company is a worldwide leader in mattress protection innovation. Protect-A-Bed products help create a dry, hygienic, bed bug free and anti-allergy sleep zone while protecting the mattress warranty. The company developed the proprietary Miracle Membrane® and patented BugLock® with SecureSeal® and three-sided zipper system. Protect-A-Bed products are listed as Class 1 Medical Devices with the Food and Drug Administration and have received the Good Housekeeping Seal.

Protect-A-Bed was incorporated in 2000 to distribute unique waterproof mattress protectors in the United States. By 2003, the business had grown to revenues in excess of \$3.5 million and was represented in 40 states. Early in 2004, Protect-A-Bed established operations in Chicago to further facilitate the growing distribution needs in the United States. Despite the 2008/2009 economic downturn, Protect-A-Bed's high double digit annual compound growth rate continued through 2010, and is expected to continue for several more years. The Protect-A-Bed brand has become synonymous with bedding protection and quality, due to the combined efforts of the dedicated Protect-A-Bed team.

### **TEAM**

During its ten years in business in the United States, Protect-A-Bed has successfully built a strong infrastructure consisting of a dynamic team of sales associates, trainers, customer service representatives and administrative personnel in Philadelphia and Chicago, as well as a group of the best independent sales representatives across the country. In addition, the Protect-A-Bed product is represented by outstanding distributors in 30 countries across the world, including a joint venture in China, Hong Kong and Taiwan.

The Protect-A-Bed executive team is led by:

- **James Bell, Chief Executive Officer:** Bell brings more than 30 years of marketing, retail and manufacturing & distribution experience to Protect-A-Bed.
- **Clive Goldin, President:** Goldin brings near 30 years in sales and distribution.
- **David Kaplan, Non-executive Chairman of the Board:** Kaplan is the original inventor of the product and provides invaluable insights gained from his 30 years in the industry and his experience with the product in South Africa, Australia and New Zealand.
- **Anneke Chamy, Chief Financial Officer:** Chamy brings 28 years of accounting and investment banking experience to the team.

## PRODUCTS

Protect-A-Bed's mattress protector was originally developed and introduced in South Africa in 1980.

The developers of the original Snugfit product set out to make a product that would provide a healthy, hygienic and comfortable sleeping environment. After a long and thorough research and development effort, the Protect-A-Bed premium product was created in its current form.

Until the introduction of mattress protectors by Protect-A-Bed in 2000, the United States market was only familiar with mattress pads. Mattress pads were originally conceptualized when mattresses became thinner and less padded during the depression years. The quilted mattress pad was a solution adding comfort, some protection and renewed life to a mattress. However, modern mattresses have plush, padded layers built into the mattress eliminating the need for additional padding. The only necessary top of bed product is a protector that will protect the mattress from contaminants, and the sleeper from allergens – a Protect-A-Bed product.

A mattress represents a considerable financial investment, worthy of protection against accidents, allergens and early deterioration. The success of the Protect-A-Bed mattress protectors with consumers is based on the fact that a mattress is in close personal use daily and demands hygienic protection. As awareness of sleep environment hygiene grows, more and more consumers have become convinced of the importance of protecting mattresses and pillows against dust mites and other invasive allergens – something that a mattress pad cannot do.

Protect-A-Bed offers a premium line of bedding and health protection products for pillows, mattresses and box springs. Some of the product features include:

- The only bedding protection products with Miracle Membrane® providing a waterproof, air vapor porous barrier between the user and the mattress/pillow
- Cotton toweling on certain products: Cool in summer and warm in winter.
- 100% waterproof & super absorbent – protects the mattress from all liquid stains and spills
- Effective at preventing allergens and dust mites from breeding in the pillow & mattress (a major cause of asthma, eczema and rhinitis)
- Quiet and cool to sleep on
- Easy to install, use and maintain
- Can be machine washed at warm temperature and tumble dried on medium settings
- Easy stretch fabric
- Fits pillow top mattresses
- Fire retardant compliant
- Tested for harmful substances

The original Protect-A-Bed premium fitted sheet style mattress protector is constructed using a cotton terry toweling sleeping surface, laminated to a Miracle Membrane®. In keeping with its culture of innovation, Protect-A-Bed invested heavily in research and development and expanded the product line to include mattress encasements that more fully address the specific problems of allergy sufferers (more than 50 percent of the general population), as well as the world wide emerging bed bug problem. New sleeping surfaces were introduced at the same time to address market needs.

Protect-A-Bed was the first company to commission and successfully complete independent research on its products to prove that it is bed bug escape, entry and bite proof. The bed bug control products features the unique patented (US Patent No. 7,552,489) Bug Lock® zipper closure and reinforced French seams.

Throughout the development and refinement of the product, Protect-A-Bed worked closely with leading entomologists for testing purposes.

At the 92<sup>nd</sup> annual International Hotel/Motel & Restaurant Show<sup>®</sup> (November 2007) Protect-A-Bed's AllerZip<sup>®</sup> product won the Editors' Choice Award in the Essentials category, underscoring the market need for encasement products. The company's storage or disposal bag won the essentials award in 2009.

Innovation at Protect-A-Bed did not end at the introduction of encasement products. During the last two years Protect-A-Bed introduced products aimed at safe and hygienic disposal of bed bug infested bedding, and developed several waterproof mattress pad solutions for customers that still prefer a mattress pad, but with the added benefits of the Miracle Membrane<sup>®</sup> barrier. Several new fabric choices have been added and the innovation continues.

## **CUSTOMERS**

Our team is dedicated to providing complete customer satisfaction and Protect-A-Bed's promise is our assurance that we will not compromise on quality and service.

Built on this philosophy, Protect-A-Bed supplies mattress and pillow protectors to 7 of the 11 top bedding specialists in the United States, several of the top 100 U.S. furniture chains, and all the major distributors in the pest control industry and most major hotel brands. The company currently has in excess of 7,000 furniture and bedding store clients in the United States and dominates the pest control and hospitality markets with bedding protection products.

Key to Protect-A-Bed's customer focus is a training program that is offered to major clients. The program has been developed to educate its clients' sales forces about the products features and benefits, as well as the most effective approach and introduction techniques for the consumer.

## **SUPPLY**

Protect-A-Bed provides for the needs of its U.S. customers from its warehouse and distribution facility in Chicago, IL. In order to ensure seamless operations for its customers, Protect-A-Bed maintains significant inventory levels, and has several manufacturing capacities worldwide.

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