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International Bedding

CORPORATE OFFICE

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October 21, 2011

Mickey Kinder
Supervisor, Dislocated Worker Unit
Indiana Department of Workforce Development
10 N. Senate Ave., Ste. SE302
Indianapolis, IN 46204-2277

Dear Mr. Kinder:

I am writing to you today to share some important International Bedding Corporation (IBC) Company news.

Over the past few years, IBC has been working aggressively to implement important changes such as adjustments in leadership, reductions in force and other organizational modifications, to reduce the Company's debt and realign it with the current market. However, the ongoing economic downturn has not allowed IBC to realize fully the benefits of these initiatives.

As such, we are considering a sale of the Company and are currently in active negotiations with interested parties. Every effort is being made to find a buyer that values our employees as much as we do as our hope is that any acquirer retains current IBC employees. Moreover, we are working to ensure that neither our customers nor vendors experience any disruption. As part of this effort we have communicated with all of our constituents via letters, telephone calls and in-person meetings.

However, if we are unable to finalize a sale or find an alternative financing solution IBC will have no other option but to cease operations. While we are striving to find a buyer or alternative financing solution this letter constitutes notice pursuant to the Worker Adjustment and Retraining Notification Act ("WARN Act") that International Bedding Corporation (the "Company") may permanently close its manufacturing facility located at 15012 Edgerton Road, New Haven, IN 46774. The Company has notified all of the affected employees whose positions are listed in attached Exhibit A that operations may permanently cease sixty-two (62) days after the date of this letter.

To clarify, if we are required to take this course, all IBC plants and offices would be closing permanently. Company employees do not have bumping rights and there is no bargaining unit representation within IBC. The planned action would be permanent. If the action were to occur, it would be a plant closing rather than a mass layoff.

EXHIBIT A

Active Employees

LOCATIONS	JOB CLASS
Indiana	TEMPURPEDIC
Indiana	TEMPURPEDIC
Indiana	TEMPURPEDIC
Indiana	BORDER
Indiana	JANITOR
Indiana	BORDER
Indiana	LEAD PERSON
Indiana	TEMPURPEDIC
Indiana	RECEIVER
Indiana	TEMPURPEDIC
Indiana	FOAM ENCASED
Indiana	MECHANIC
Indiana	TEMPURPEDIC
Indiana	FLAT FRAME
Indiana	TEMPURPEDIC
Indiana	INSPECTOR INDIRECT
Indiana	TEMPURPEDIC
Indiana	BORDER
Indiana	TEMPURPEDIC
Indiana	TEMPURPEDIC
Indiana	FOAM CUTTER
Indiana	UPHOLSTERY
Indiana	TAPE EDGER
Indiana	QUILTER
Indiana	LEAD PERSON
Indiana	BORDER
Indiana	SEWER
Indiana	CRATE OPENER
Indiana	TEMPURPEDIC
Indiana	FOAM ENCASED
Indiana	FLANGER
Indiana	FOAM ENCASED
Indiana	BORDER QUILTER
Indiana	BORDER
Indiana	FOAM ENCASED
Indiana	FLAT FRAME
Indiana	TAPE EDGER
Indiana	TEMPURPEDIC
Indiana	TAPE EDGER
Indiana	CAPPER
Indiana	LEAD PERSON
Indiana	TEMPURPEDIC
Indiana	INSPECTOR INDIRECT

EXHIBIT A

<u>LOCATIONS</u>	<u>JOB CLASS</u>
Indiana	RECEIVER
Indiana	RECEIVER
Indiana	LOADER
Indiana	TEMPURPEDIC
Indiana	CAPPER
Indiana	CUTTING TABLE
Indiana	LOADER
Indiana	SEW ROOM SUPERVISOR
Indiana	LOGISTICS MANAGER
Indiana	SENIOR TERRITORY SAL
Indiana	PLANT PURCHASER
Indiana	PLANT ACCOUNTING CLE
Indiana	OFFICE MANAGER
Indiana	PLANT MAINTENANCE SU
Indiana	PLANT QC MANAGER
Indiana	FOUNDATION SUPERVISO
Indiana	OPERATIONS MANAGER
Indiana	PLANT ACCOUNTING CLE
Indiana	PLANT MANAGER
Indiana	RVP SALES NORTH
Indiana	SENIOR TERRITORY SAL

Terminated Employees

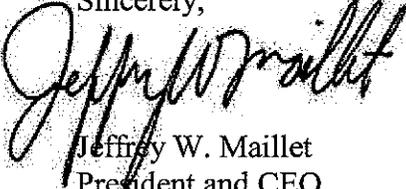
<u>LOCATIONS</u>	<u>JOB CLASS</u>
INDIANA	UPHOLSTERY

Mickey Kinder
October 21, 2011
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A separate letter has notified the mayor or other appropriate chief elected official of the unit of local government where the affected employees work. We are asking regional and local agencies to provide any available assistance if a closure takes place and any help that the State of Indiana may be able to provide to affected employees would be greatly appreciated.

For further information, please contact Tom Brown, Human Resource Director at (954) 845-3083.

Sincerely,



Jeffrey W. Maillet
President and CEO

Enclosure