

Residential Products

Bedding Group

World's leading manufacturer of innerspring and boxspring components for bedding.

Description

Our global Bedding Group manufactures multiple types of mattress innersprings and boxsprings for bedding customers around the world. We also produce versatile high-speed wire forming equipment, designed primarily for our own bedding operations.

We continue to increase our content in both the U.S. and European markets through the growth of our higher-value springs such as ComfortCore® and added features including Quantum® Edge, both of which are being utilized in more of the mattresses our customers produce. We are also growing our presence in eCommerce through finished mattress production and component supply to the new market entrants in the bed-in-a-box channel.

Sales of other bedding components, including non-fashion construction fabrics, occur through other groups in the Residential Products segment.

In 1960, bedding components represented nearly 100% of the company's sales. In 2018, Bedding Group revenue will comprise approximately 19% of total sales.

Leggett & Platt's expertise in the bedding components industry is second to none, with a unique to the industry combination of product, machine development and patent protection.

See these websites for more information:

<http://www.beddingcomponents.com>

<http://www.lpeurope.com>

Competitive Advantages

- 100+ years of experience in the industry
- Industry leading research and development yields new and innovative products for customers
- Machinery development capability compliments our product R&D
- Global JIT distribution
- Low cost producer of components
- Vertically integrated to ensure availability and quality of key raw materials

Addressable Market

U.S. and European Spring are two of our "Grow" businesses with addressable markets of ~\$2.4 billion and ~\$1.4 billion, respectively.

Customers

Broad customer base includes most U.S. bedding manufacturers and many other mattress producers around the world. Major customers include:

Serta	Tempur Sealy	Simmons
Silentnight	Hilding Anders	Steinhoff

Competitors

- Regional producers in the global markets

Major Operations

Arizona – Phoenix
California – South Gate
Georgia – Monroe
Indiana – Rensselaer
Kentucky – Winchester
Massachusetts – Oxford
Missouri – Carthage
North Carolina – High Point
Pennsylvania – Wilkes-Barre
Texas – Ennis
Brazil – Sorocaba
China – Guangzhou
Croatia – Prelog
Denmark – Tistrup
Mexico – Mexico City
South Africa – Benoni
Switzerland – St. Gallen
UK – Barnsley

Industry Data

ISPA – International Sleep Products Association

<http://www.sleepproducts.org/>

Residential Products

Fabric & Flooring Products Group

*Leading U.S. supplier of non-fashion construction fabrics and flooring underlayment;
major supplier of geo components.*

Description

Fabric: We dye, finish and convert (cut to various sizes) textiles into components used by manufacturers of bedding, upholstered furniture, and home furnishings accessories. Our operations have expanded to encompass other markets, including automotive, filtration, construction, and packaging.

Geo Components: We also produce and distribute geo components for erosion control, subgrade stabilization, and storm water management. Geo components include geotextiles, erosion control blankets, silt fencing, grid, and other complementary products.

We are growing this business organically and through bolt-on acquisitions, and seek to continue expanding our geographic footprint and the product lines this business supplies.

Flooring Products: We manufacture and distribute all types of flooring underlayment for residential and commercial use, including foam, rubber, and fiber-based products. Our flooring underlayment products provide support, cushioning and noise reduction under carpet, laminate, engineered wood, floating hardwood, luxury vinyl tile and ceramic tile.

See these websites for more information:

<http://www.hanescompanies.com>

<http://www.hanesgeo.com>

<http://lpflooringproducts.com>

Competitive Advantages

- Global sourcing and purchasing leverage in non-woven fabrics provides opportunities for a wide range of products at competitive prices.
- In-house textile dyeing and finishing provide a vertical advantage in product quality, consistency, and pricing of woven textile products.
- Multiple locations geographically disbursed, along with a wide range of products allow for combined shipments and reduced lead times.

Addressable Market

Geo Components is one of our “Grow” businesses with an addressable market of ~\$2 billion.

Customers

- Bedding and upholstered furniture manufacturers
- Filtration and building product distributors
- Drapery manufacturers
- Contractors, landscapers, road construction companies
- Government agencies for infrastructure projects
- Flooring retailers and distributors

Competitors

Carpenter	Mohawk
Future Foam	Regional producers
ACF	OXCO

Major Operations

Fabric/Geo:

California – Cerritos, Carlsbad	New Jersey – Secaucus
Colorado – Denver	North Carolina – Charlotte, Conover, Winston-Salem
Georgia – Lawrenceville	Texas – Austin, Houston, Grapevine
Indiana – Indianapolis	Canada:
Maryland – Eldersburg	Quebec – Ville Mont Royal
Michigan – Wyoming	Ontario – Dundas
Mississippi – Pontotoc	

Flooring Products:

California – Ontario, Tracy	North Carolina – Statesville, Salisbury
Illinois – Chicago, Morris	Pennsylvania – Berwick
Mississippi – Houston	Texas – Ft. Worth
Missouri – Cape Girardeau	

Industry Data

ISPA – International Sleep Products Association

<http://www.sleepproducts.org/>

CCC – Carpet Cushion Council

<http://www.carpetcushion.org/>

Residential Products Machinery Group

World's leading manufacturer of quilting and sewing equipment for the bedding industry.

Description

The Machinery Group is the world's leading provider of a full range of industrial quilting and sewing machinery. Our operations develop and produce advanced quilting and sewing equipment designed to improve production efficiency and product quality for our customers who make finished bedding. Our experience enables us to provide customized solutions for a broad base of customers throughout the world.

See these websites for more information:

<http://www.gsgcompanies.com>

<http://www.leggettmachines.com>

Competitive Advantages

- Recognized as global leaders in design and production of advanced quilting and sewing equipment
- An extensive network of offices and agents that provide sales, service and parts support across the globe.

Customers

- Global bedding manufacturers

Competitors

- Atlanta Attachment
- Mammut
- Resta/Meca
- Various Chinese producers

Major Operations

Florida – Sunrise
Illinois – Chicago
Missouri – Carthage
Croatia – Prelog
China – Shanghai

Industrial Products

Wire Group

Leading U.S. producer of high-carbon drawn steel wire.

Description

Our three domestic wire mills produce approximately 500,000 tons of steel wire annually, making us the largest independent high carbon wire producer in the U.S. Our wire mills offer a wide range of drawing and finishing capabilities for both high and low carbon steel wire.

About 70% of this wire is used by Leggett operations, ensuring a consistent supply of quality wire for our bedding operations. The remainder is sold to external customers and used in a number of products, including mechanical springs, appliance racking, and various other wire forms.

We are further vertically integrated through our production of steel rod at our steel mill in northwestern Illinois. About 65-70% of the steel rod we produce is used by our three wire mills; the remainder is sold externally.

See <http://www.leggettwiregroup.com> for more information.

Competitive Advantages

- Cost advantage resulting from internal production of steel rod, high volume manufacturing, efficient facilities, and low labor content
- High quality products and service – we consistently deliver one of the industry's highest levels of product acceptance

Customers

- Leggett & Platt businesses
- Mechanical spring manufacturers
- Wire distributors
- Packaging and baling companies
- Farm equipment manufacturers
- Overhead door manufacturers
- Various industrial companies

Competitors

- Davis Wire (Heico)
- Mid-South
- Taubensee

Major Operations

Florida – Jacksonville
Illinois – Sterling
Indiana – Kouts
Missouri – Carthage
Ohio – Solon

Industry Data

American Wire Producers Association
<http://www.awpa.org/>

Furniture Products

Work Furniture Group

Leading U.S. manufacturer of work furniture components.

Description

Our Work Furniture Group produces select lines of private-label finished seating and also manufactures value-added components to complement our private-label strategy. Our components include chair mechanisms, bases, arms, seats and backs, surface-critical bent tube assemblies, and molded plywood components.

Workspaces are evolving. Growth of flexible, collaborative workspaces supports private-label demand. Outsourcing production to us enables our customers to focus on brand and design.

Our global strategy includes expanded capabilities in private-label production of high-end finished goods, and product design, component manufacturing, and supply chain management. As our work furniture customers seek to grow globally, we are well positioned to serve as a strategic partner supporting that growth.

See <http://lpworkfurniture.com> for more information.

Competitive Advantages

- Global manufacturing and supply chain management
- Recognized leader in engineering and design
- Product line breadth
- Longstanding customer relationships
- Global private label upholstery production capability
- Ability to meet exacting quality standards

Addressable Market

Work Furniture is one of our “Grow” businesses with an addressable market of ~\$4 billion.

Customers

Herman Miller	HNI
Hay	Steelcase
Knoll	Haworth
Fritz Hansen	HOWE

Competitors

- Bock
- Donati
- Cofemo

Major Operations

Michigan – Grand Rapids, Sparta
North Carolina – Greensboro
Canada – Ontario – Waterloo
Mexico – Monterey
Italy – Treviso
Poland – Poznan
China – Guangzhou

Industry Data

BIFMA – Business & Institutional Furniture Mfg.’s Assn.
<http://www.bifma.org/>

Furniture Products

Home Furniture Group

World's leading producer of recliner mechanisms, seating systems, and sofa sleeper units for the upholstered furniture industry.

Description

Leggett & Platt is recognized as the leading global producer of furniture components for the upholstered furniture industry. Our products enhance comfort, motion and style in upholstered furniture and include recliner mechanisms, seating support systems, sofa sleeper units, and other products. Our operations are strategically located around the world to efficiently supply upholstered furniture manufacturers.

See <http://www.homefurniturecomponents.com> for more information.

Competitive Advantages

- Global presence with international manufacturing, product development, distribution, and sales
- Leader in product development and innovation
- Established reputation for high quality products combined with exceptional service

Customers

In addition to serving accounts of all sizes around the world, some of our major U.S. customers include:

Ashley Furniture	Franklin
Best Home Furniture	Klaussner
Ethan Allen	La-Z-Boy
Flexsteel	Southern Motion

Competitors

- Primarily Chinese producers
- Self-supply by selected brands

Major Operations

California – City of Industry
Indiana – Kendallville
Kentucky – Leitchfield
Mississippi – Tupelo
North Carolina – Greensboro, High Point,
Lexington, Conover
Germany – Rietberg
China – Hui Zhou City, Jaixing, Jiang Yan City

Industry Data

AHFA – American Home Furnishings Alliance
<http://www.ahfa.us>

Furniture Products

Consumer Products Group

Leading U.S. supplier of adjustable beds, fashion beds, and bedding support products.

Description

Adjustable Bed: We are the largest U.S. producer of adjustable beds sold primarily to bedding retailers. We have four production locations in North America along with industry leading research and development and global sourcing capabilities.

Our growth strategy includes investing in product development resources to drive differentiation.

Fashion Bed: We are also the leading U.S. supplier of fashion beds, bed frames and other bedding support products sold to a broad base of retail customers. We offer a full line of sleep accessories to our customers, allowing them a one-stop shop with just-in-time inventory.

See these websites for more information:

<http://www.fashionbedgroup.com>

<http://www.lpadjustablebeds.com>

Competitive Advantages

- Large North American manufacturing and distribution network
- Broad product line and ongoing innovation
- Ability to customize product
- Established reputation for high quality products and exceptional customer service
- International sourcing and forward distribution capability

Addressable Market

Adjustable Bed is one of our “Grow” businesses with an addressable market of ~\$800 million.

Customers

Sleep Number	Aaron’s
Mattress Firm	Wayfair
Rooms-to-Go	Amazon

Our adjustable beds, fashion beds, and bedding accessories are sold to a wide range of traditional retail customers, including specialty sleep shops, department stores, and furniture retailers. Our products are also sold through e-commerce channels.

Competitors

- Ergomotion
- Mantua
- Hillsdale
- Protect-A-Bed

Major Operations

California – Whittier
Florida – Spring Hill
Illinois – Chicago
Kentucky – Georgetown
Missouri – Joplin
North Carolina – Linwood
Mexico – Juarez

Industry Data

ISPA – International Sleep Products Association

<http://www.sleepproducts.org/>

Specialized Products

Automotive Group

World's leading manufacturer of active lumbar support systems, massage systems, and seat suspension systems for the automotive industry.

Description

We are the global leader in the production of lumbar support and seat suspension systems, and we produce other complementary products. Our product lines include:

Comfort

- Lumbar support and massage systems
- Suspension systems (wire grid designs, sinuous wire, elastomeric fabrics, custom suspension systems)

Cables, Motors, and Actuators

- Small motors and actuators for power feature adjustment
- Control cables

Our automotive business has grown at a significant pace over the past several years, and we expect to continue growing from the combined benefit of new program awards, increased content, and market share gains. We are benefitting from several factors, including:

- Increased focus on seat comfort by consumers and the automotive OEMs,
- More global programs
- More content and functionality in less space as part of an effort to improve fuel economy in new vehicles.

See <http://www.leggett-automotive.com> for more information.

Competitive Advantages

- Engineering and technical competence
- Customization – OEM/Tier 1 engagement
- Program launch and production reliability
- Global footprint

Addressable Market

Automotive is one of our “Grow” businesses with an addressable market of \$10 billion.

Customers

While we typically work directly with the global auto OEM's on the design and specification of our products, our direct customers are the Tier 1 suppliers:

Adient	Lear
Faurecia	Toyota Boshoku

Competitors

- Brose (mechanical lumbar)
- Alfmeier (pneumatic lumbar)
- Many cable, motor, and actuator producers

Major Operations

Missouri – Carthage
Austria – Berndorf
Belgium – Wevelgem
Canada – Ontario – London, Windsor
China – Changsha, Wuxi, Zhaoqing City
Korea – Sasang-gu
Mexico – Juarez
Hungary – Tornyopuszta
UK – South Wales – Ammanford

R&D/Testing/Technical Dev. Center

- Canada – Ontario – Windsor
- Germany – Nurnberg
- China – Guangzhou

Industry Data

MEMA – Motor & Equipment Manufacturers Association
<http://www.mema.org>

Auto Alliance (Alliance of Automobile Manufacturers)
<http://autoalliance.org>

JAMA – Japan Automobile Manufacturers Association
<http://www.jama.org>

Specialized Products

Aerospace Products Group

A major provider of titanium and nickel alloy tubing, formed tube, and tube assemblies for the aerospace industry

Description

We produce welded and seamless tubing and specialty formed products from titanium, nickel alloy, stainless steel, and other high strength metals for leading aerospace suppliers. We also produce tube assemblies and perform precision machining for aerospace applications. Our products are utilized in demanding environments where product integrity and durability are paramount. Requirements regarding weight, corrosion, wear, and extreme temperature differentials necessitate the use of advanced alloys. The products are integral components of critical aircraft systems, including fuel, hydraulic, pneumatic, environmental, life support, stability and cooling systems.

Our global market focus is on fluid conveyance systems (air and liquid) for commercial and defense aircraft. We plan to grow this business by continuing to expand our tube fabrication and assembly capabilities, by growing our product portfolio and by increasing applications for our products.

See <http://www.leggettaerospace.com> for more information.

Competitive Advantages

- Extensive tubing portfolio
- Vertical integration
- Strong reputation for quality, reliability, and on time delivery
- U.S. and European presence

Addressable Market

Aerospace is one of our “Grow” businesses with an addressable market of ~\$2 billion.

Customers

We supply product to multiple tiers of suppliers within the supply chain, but primarily system integrators (Tier 1) and assemblers (Tier 2).

Competitors

Various small to mid-sized companies and some maker-users.

Major Operations

California – Poway
Connecticut – Middletown
Washington – Kirkland
U.K. – Salisbury
France – Samer, Nanterre

Industry Data

GIFAS – Groupement des Industries Françaises
Aéronautiques et Spatiales
<http://www.gifas.asso.fr/en/>

Aviation International News
<http://www.ainonline.com>

Deloitte Global Aerospace & Defense Industry Outlook
<http://www.deloitte.com/global/en/pages/manufacturing/articles/global-a-and-d-outlook.html>

Specialized Products

Hydraulic Cylinders Group

A leading global manufacturer of engineered hydraulic cylinders used in mobile equipment

Description

On January 31, 2018, we acquired Precision Hydraulic Cylinders (PHC), a leading supplier of hydraulic cylinders for material handling, construction, and transportation markets. PHC designs, engineers, and manufactures single-acting, double acting, telescopic and tie-rod cylinders for mobile equipment applications such as lift trucks, forklifts, construction equipment, truck-mounted cranes, aerial work platforms, and other equipment. Our products often operate in demanding environments where equipment dependability is vital in maintaining the safety of personnel and goods.

The Hydraulic Cylinders Group is our first new growth platform identified via our Styles of Competition work and has a strong fit with our “critical components” style. Hydraulic cylinders are highly engineered, primarily co-designed with customers and although cylinders represent only a fraction of the cost of the mobile equipment, they are crucial to safe and effective operation. Hydraulic cylinders have long product life-cycles and are most often sold to large OEM customers under programmatic product launches.

We plan to grow this business by expanding with our current customers as they seek to outsource more of their hydraulic cylinder production and grow their international presence, increasing penetration in current and adjacent hydraulic cylinder markets where we have lower market shares, and investing in R&D and other technologies to enhance our product offerings.

See <http://www.phc-global.com> for more information.

Competitive Advantages

- Comprehensive engineering and design capabilities
- Strong reputation for quality and reliability
- Global footprint allows for quick turnaround and JIT delivery

Addressable Market

Hydraulic Cylinders is a new growth platform with an addressable market of ~\$5 billion.

Customers

Our customer base includes mobile equipment OEMs, primarily in the material handling, construction equipment and transportation markets. Some major customers include:

Caterpillar
JLG (Oshkosh)
Mitsubishi Caterpillar Forklift (MCF)
Toyota Industrial Equipment
Unicarriers

Competitors

- Various small to mid-sized manufacturers
- Large OEM providers with comprehensive adjacent product portfolios

Major Operations

North Carolina – Beulaville
India – Chennai
UK – Cramlington