

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

**FORM 8-K**

**CURRENT REPORT PURSUANT  
TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported) May 6, 2008

**TEMPUR-PEDIC INTERNATIONAL INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-31922**  
(Commission File Number)

**33-1022198**  
(I.R.S. Employer  
Identification No.)

**1713 Jaggie Fox Way**  
**Lexington, Kentucky 40511**  
(Address of principal executive offices) (Zip Code)

**(800) 878-8889**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 7.01 Regulation FD Disclosure**

Attached as Exhibit 99.1 to this report and furnished under this Item 7.01 are copies of slides used in investor presentations by Tempur-Pedic International Inc.

The information in this report (including Exhibit 99.1) shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits**

(c) Exhibits

<u>Exhibit</u>	<u>Description</u>
99.1	Tempur-Pedic International Inc. Second Quarter 2008 Investor Presentation

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 6, 2008

Tempur-Pedic International Inc.

By: /s/ Dale E. Williams

Name: Dale E. Williams

Title: Executive Vice President, Chief Financial Officer and Secretary

EXHIBIT INDEX

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<u>Exhibit</u>	<u>Description</u>
99.1	Tempur-Pedic International Inc. Second Quarter 2008 Investor Presentation

# Investor Presentation

## 2Q 2008



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# Forward-Looking Statements

This presentation may contain "forward-looking statements" which include information concerning the Company's plans, objectives, goals, strategies, future revenues or performance, capital expenditures, financing needs and other information that is not historical information. When used in this presentation, the words "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including without limitation, the Company's expectations regarding improving manufacturing output capacity, increasing brand awareness, growth opportunities, new products, unit share opportunities, increasing slots per store, new consumer segments, consumer preferences and behavior, opportunities for SG&A leverage and cash flow generation, are based upon current expectations and beliefs and various assumptions. There can be no assurance that the Company will realize these expectations or that these beliefs will prove correct.

There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements contained in this presentation. Numerous factors, many of which are beyond the Company's control, could cause actual results to differ materially from those expressed as forward-looking statements. These risk factors include general economic and industry conditions, particularly in the retail sector, and consumer confidence; the Company's ability to reduce expenses to align with reduced sales levels; uncertainties arising from global events; the effects of changes in foreign exchange rates on the Company's reported earnings; consumer acceptance of the Company's products; industry competition; the efficiency and effectiveness of the Company's advertising campaigns and other marketing programs; the Company's ability to increase sales productivity within existing retail accounts and to further penetrate the U.S. retail furniture channel, including the timing of opening or expanding within large retail accounts; the Company's dependence on its significant customers; the Company's ability to address issues in certain underperforming international markets; the Company's ability to continuously improve its product line, maintain efficient, timely and cost-effective production and delivery of its products, and manage its growth; changes in foreign tax rates, including the ability to utilize tax loss carry forwards; rising commodity costs; the Company's ability to protect and maintain its intellectual property; the Company's ability to respond to regulatory requirements; the Company's ability to retain members of its senior management team; the effects of increased interest rates; the effects of labor relations on business operations and costs; the effects of increased product return rates or a reduction in warranty reserves; the market price for the Company's common stock prevailing from time to time; and the nature of other investment opportunities presented to the Company from time to time.

Additional information concerning these and other risks and uncertainties are discussed in the Company's filings with the Securities and Exchange Commission, including without limitation the Company's annual report on Form 10-K under the headings "Special Note Regarding Forward-Looking Statements" and "Risk Factors". Any forward-looking statement speaks only as of the date on which it is made, and the Company undertakes no obligation to update any forward-looking statements for any reason, including to reflect events or circumstances after the date on which such statements are made or to reflect the occurrence of anticipated or unanticipated events or circumstances.

# Overview

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- ◆ Worldwide leader in **Premium Sleep**, estimated to be 50% of the ~\$13 billion wholesale mattress market
- ◆ **Global** sales under the “Tempur-Pedic®” and “TEMPUR®” trademarks in >70 countries
- ◆ Products provide greater overall **comfort** and better **quality** sleep
- ◆ **Most profitable** company in the industry
- ◆ Highest **customer satisfaction** rates in the industry
- ◆ Over 25,000 health care professionals **recommend** the brand



# Tempur-Pedic Swedish Sleep System

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- ◆ Pressure & Pain Management
  - 94% of owners experience a reduction in painful pressure points
- ◆ Open Cell Technology
- ◆ Body Conforming & Support
  - 92% of owners sleep better and wake more refreshed
- ◆ Safe and Healthy
- ◆ Maintenance Free



welcome to bed™

Source: Independent survey commissioned by Tempur-Pedic



# Seasoned Management Team

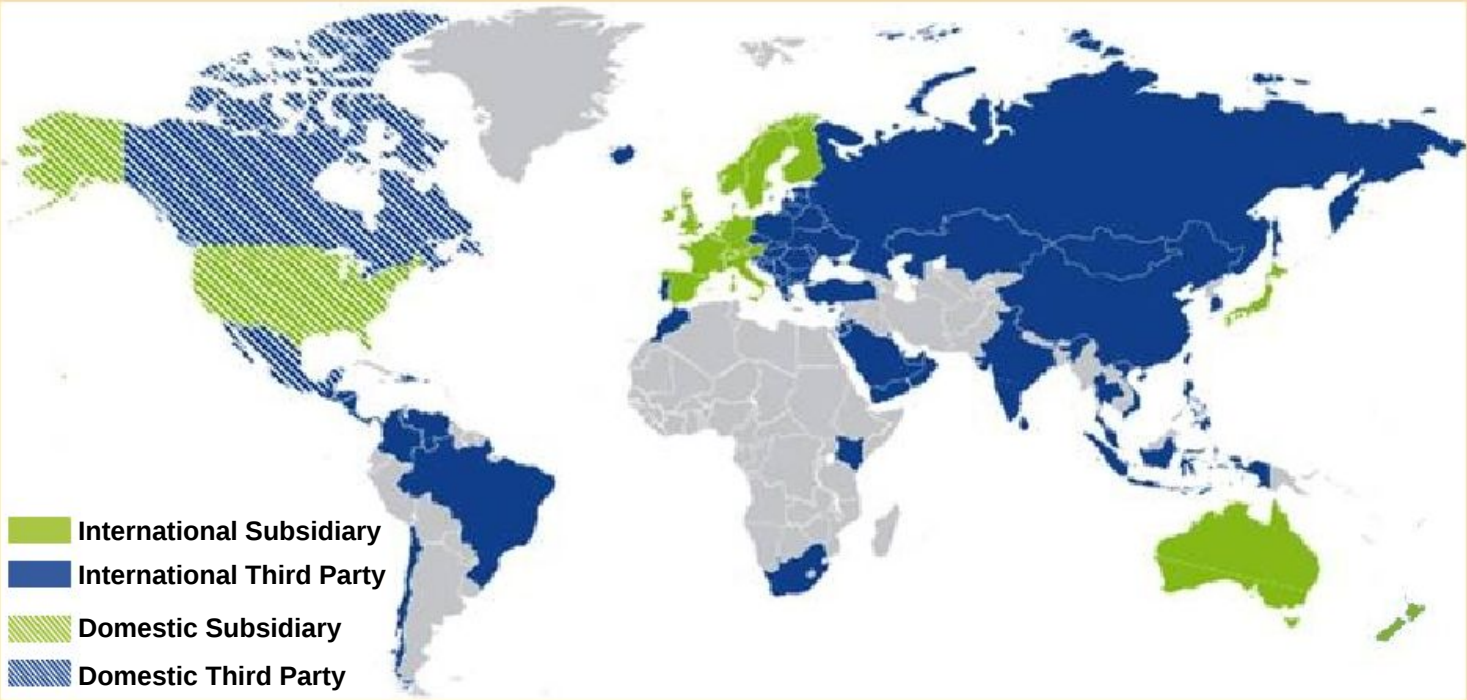
➤ Executive team has ~130 years managing large international businesses

Name	Position	Prior Experience	Prior Experience	
			Consumer Products	Inter'l
Tom Bryant (1)	President & CEO	CEO, Stairmaster Sports & Medical Products President, Dunlop Maxfli Johnson & Johnson	✓	✓
Rick Anderson	EVP and President, North America	VP, Gillette Gillette/P&G	✓	✓
David Montgomery	EVP and President, International	President, Rubbermaid Europe VP, Black & Decker Europe, Middle East, Africa	✓	✓
Matt Clift	EVP, Global Operations	VP/GM Lexmark International Lexmark/IBM	✓	✓
Dale Williams	EVP & CFO	CFO, Honeywell Control Products CFO, Saga Systems CFO, GE Information Services	✓	✓

(1) In February 2008, Mr. Bryant announced his plan to retire effective mid-year 2008.



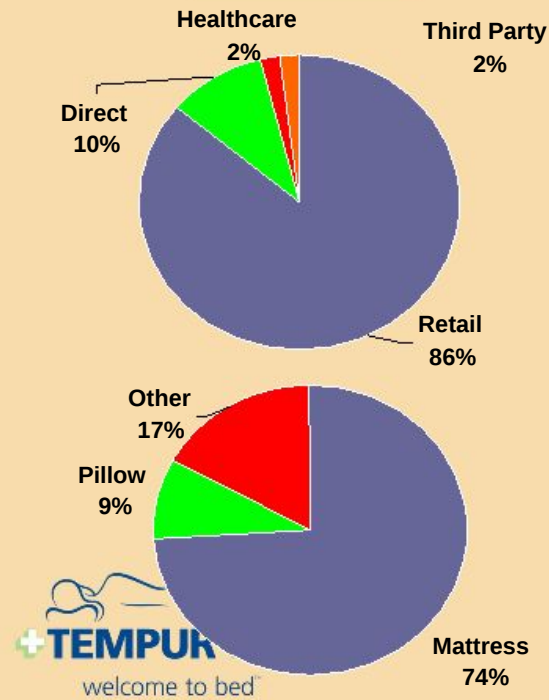
# Global Presence



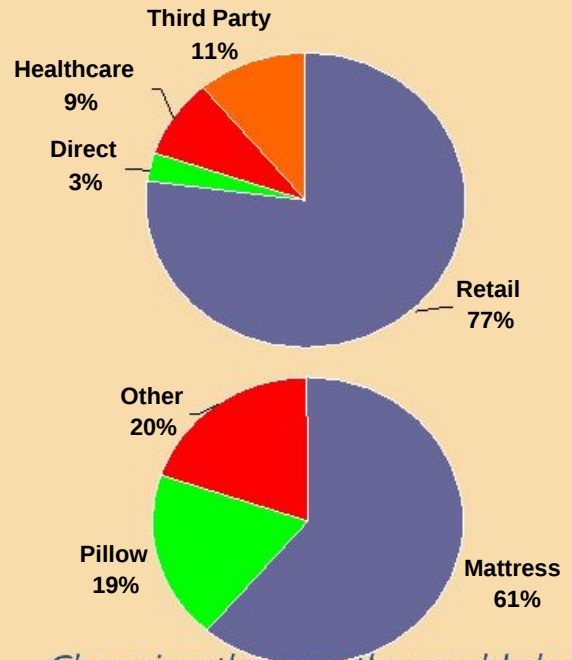
# Global Sales

- ◆ Domestic represents ~66% of total sales while International represents ~34%
- ◆ Products sold through four distinct channels in three product categories
- ◆ US & European-based R&D centers focused on unique, regional preferences
- ◆ Brand building via advertising campaign to drive market share gains

## Domestic Sales



## International Sales



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*Changing the way the world sleeps!*



1. Data represents results of full year 2007.

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# *Vertically Integrated*



# Manufacturing Facilities

## **Denmark** (500K sq ft)



- ◆ Global, vertically integrated manufacturer
- ◆ State of the art, highly automated, ISO-certified plants
- ◆ > \$200 million invested
- ◆ Goal: Improve output capacity every year without significant new capital investment

## **Duffield, VA** (500K sq ft)



welcome to bed

1. Albuquerque facility is in the process of ISO certification.

## **Albuquerque, NM** (800K sq ft)



*Changing the way the world sleeps!*

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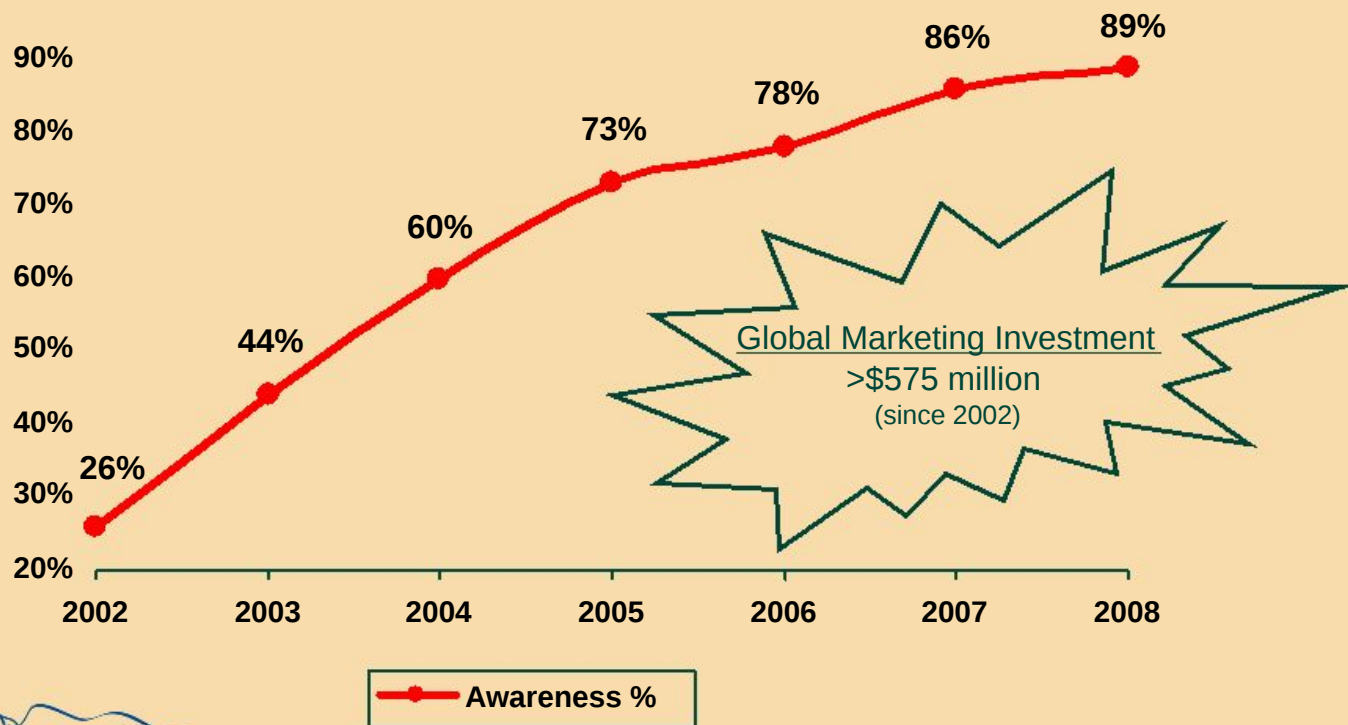
# ***Building Brand Equity***



# “Welcome To Bed” Marketing Campaign



# Increasing Brand Awareness



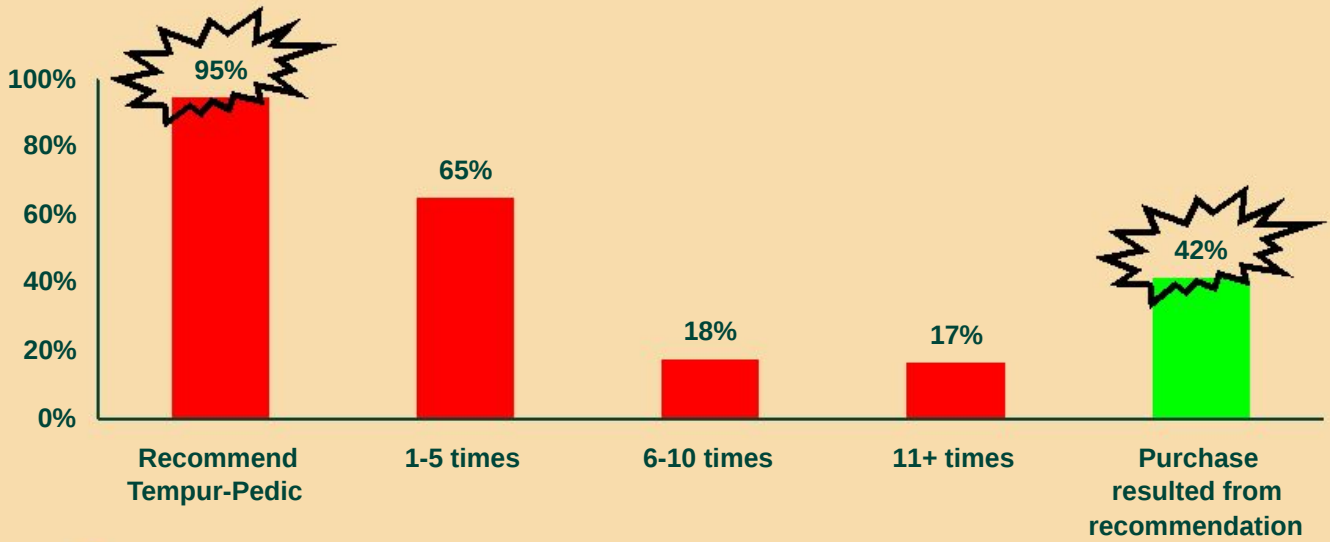
*Changing the way the world sleeps!*

12  
1. Total Brand Awareness for mattresses based on study commissioned by Tempur-Pedic and completed in the first quarter of each year.  
2. Advertising and trade expenses FY 2002 through 1Q08. For a discussion of the Company's performance, please refer to the Company's press release for 1Q08 results and the Company's prior 10K and 10Q filings.



# Consumer Passion

- ◆ ~95% Tempur-Pedic® consumers recommend the product
- ◆ ~65% of consumers recommended Tempur-Pedic up to 5 times
- ◆ 42% of consumers report someone purchased a Tempur-Pedic mattress as a result of their recommendation



# Growth Opportunities

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- ◆ Significant Unit Share Opportunity
  - Only represent ~2.3% of U.S. mattress units ('07 est.)
- ◆ Slots Very Low Versus % of Retail Sales
  - Gaining “slots” with new models, key price points
- ◆ Investing in Marketing and Expanding Brand Awareness
- ◆ Targeting Key New Consumer Segments
  - BellaSonna → “Traditionalist” consumers
- ◆ Targeting 77 Million Baby-Boomers
- ◆ Selectively Adding New Retail Accounts



# Premium Mattress Consumer Research

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***Based on third party research, we believe the following market factors will create favorable market conditions for the premium segment:***

- ◆ Premium consumers are comparatively more likely to defer mattress purchases during an economic downturn
- ◆ Premium has reached >25% household penetration
- ◆ Among consumers who expect to buy a mattress in the next five years, ~46% plan to purchase premium



# Specialty Mattress Consumer Research

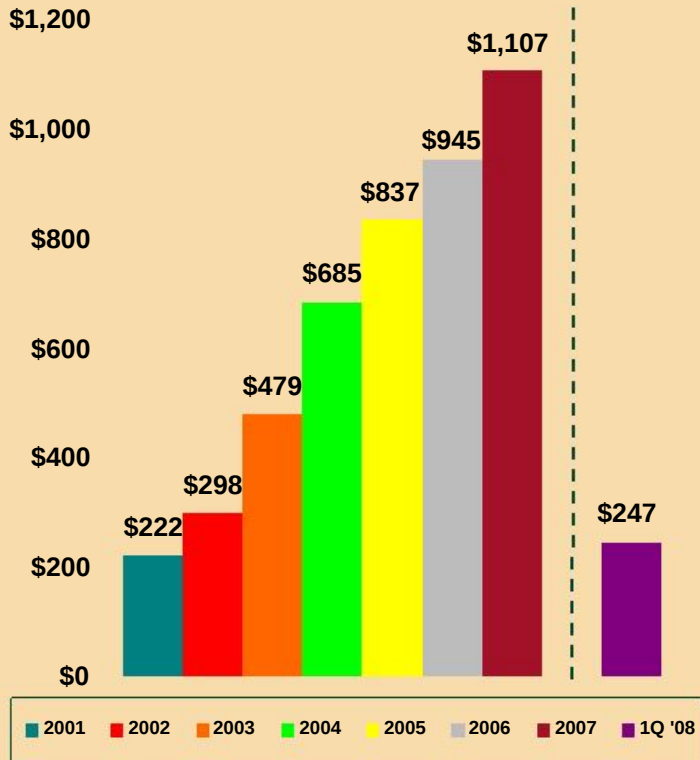
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- ◆ Among consumers who are likely to buy a premium mattress in the next five years:
  - ~80% say they are most likely to purchase specialty
- ◆ Specialty has reached >7% household penetration
- ◆ Specialty currently represents 40% of premium installed base
  - Innerspring currently represents 60% of premium installed base
- ◆ ~60% of consumers who are likely to buy a premium mattress in the next 5 years report they are most likely to buy visco



# Worldwide Net Sales

(\$ in millions)

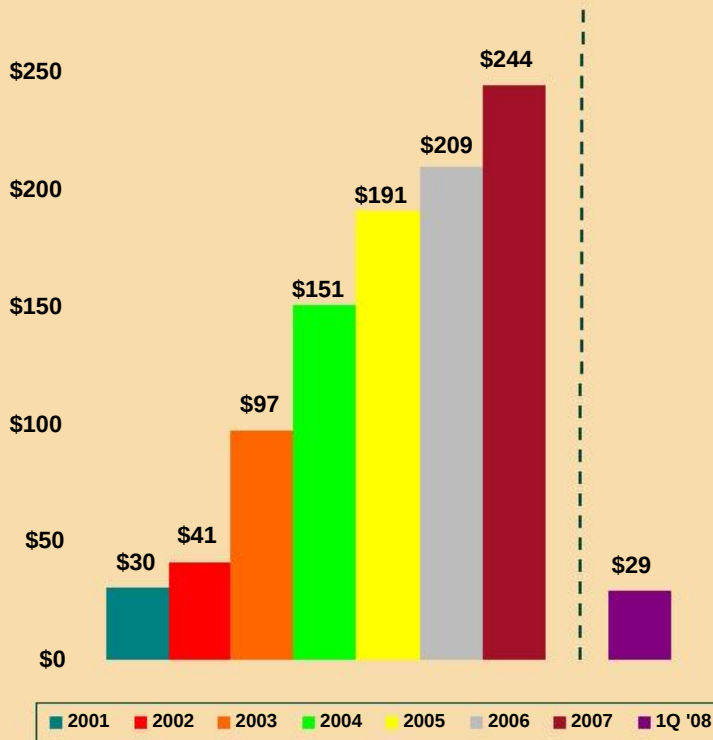


- ◆ Revenue growth led by mattresses
- ◆ 1Q'08 sales down 7% as U.S. macroeconomic environment deteriorates



# Operating Income

(\$ in millions)



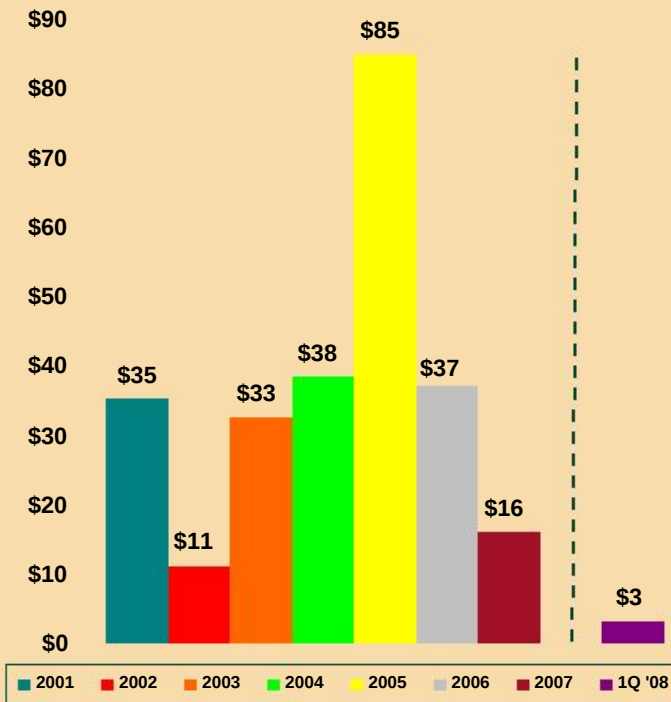
- ◆ Historically, operating leverage offset most of the prior Gross Margin erosion
- ◆ Opportunities for SG&A leverage over the long term
- ◆ 1Q'08 Operating margin declined primarily related to:
  - Gross margin decline driven by channel shift, raw material inflation, fixed cost de-leverage
  - Operating expenses planned and incurred assuming much higher sales level (e.g. advertising de-leveraged > 200 bps)
- ◆ Have completed restructuring



# Capital Expenditures & Cash Flow

## Capital Expenditures

(\$ in millions)



- ◆ Completed major capital investments
- ◆ Free cash flow opportunities
- ◆ Cash cycle opportunities
- ◆ Revised production plans to align with sales expectations
- ◆ Anticipate inventory will be source of cash in 2008



# Investment Highlights

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- ◆ #1 In The Fast Growing Viscoelastic Market<sup>1</sup>
- ◆ #1 In The Fast Growing Premium Mattress Market<sup>1</sup>
- ◆ #1 In The Premium Pillow Market<sup>2</sup>
- ◆ #1 In International Operations of U.S. Bedding Manufacturers<sup>2</sup>
- ◆ #1 In The Industry For Profitability<sup>3</sup>
- ◆ #1 In U.S. Consumer Referrals for Mattresses<sup>4</sup>
- ◆ #1 In Retail Sales And Profit Per Sq Ft<sup>4</sup>

1. Based on net sales, including management's estimates of sales by companies that do not publicly report sales of viscoelastic mattresses and pillows, premium mattress and premium pillows.  
2. Based on total company-owned foreign operations by U.S. based bedding manufacturers, including management's estimates for companies that do not publicly report such information.  
3. Based on total net income for all publicly reporting US mattress manufacturers.  
4. Based on independent survey(s) commissioned by Tempur-Pedic® and management estimates.





# Investor Presentation

## 2Q 2008



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