

leepScore Labs is awaking the world of sleep with a scientific and data-driven approach to improving it.

A new strategic partnership with the nation's largest mattress retailers is among the latest developments for the Carlsbad, California-based company, which has established several interconnected business lines since its 2016 spin-out.

Under its most recent deal with Mattress Firm, SleepScore is providing the technology platform, algorithms and data analysis for the company to leverage in selling its products and services.

"The goal is to connect the consumer to the best solution or product for them based on the data and science," says SleepScore Labs Chief Executive Colin Lawlor.

Strategic Benefits

Houston-based Mattress Firm operates 2,400

stores and counts more than three million customers annually, opening up several new avenues for growth.

Mattress Firm will be promoting SleepScore's technology in ways that should help make Sleep-Score a more valuable business, says Chief Executive John Eck explains.

The companies plan to create the first integrated sleep improvement program utilizing insights from SleepScore Labs' data, which has tracked more than 70 million hours of sleep and billions of data points on consumer sleeping patterns, lifestyle and environment influences, improvements and deviations.

The companies will soon launch a Sleep.combranded mobile app that will monitor sleep tracking and provide personalized recommendations for users.

The retailer will also apply SleepScore Labs data, and its research and development arm, to vali-

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date product claims and help its sales and service teams make more relevant recommendations for its beds, other sleeping products and accessories.

"Mattress Firm looked at several potential partners and ultimately chose SleepScore because of the strength of their technology, the breadth and depth of their sleep-based data as well as their strong partners," Eck says. "This partnership is the first of its kind for us, and it reflects our commitment to better sleep and the positive impact data and technology can have on sleep."

From Spin Out to Growth Mode

Beyond significantly expanding its distribution channel, supply chain and other resources, Sleep-Score Labs gains a key investor in Mattress Firm as it looks to scale other parts of its business, including claim verifications, innovation services, and consulting larger companies on R&D, product development and connecting their consumers with the right solutions.

Mattress Firm joins other backers, including medical device manufacturing giant ResMed Inc., Pegasus Capital Advisors LP, Dr. Mehmet Oz, International Flavors and Fragrances, ETP Global, Human Longevity Inc. and SleepScore Ventures.

The investment from Mattress Firm will help the technology company boost its market presence and bolster its financial position.

SleepScore Labs, which spun out of ResMed (NYSE: RMD), has had more than \$50 million invested in its technology. Now that it has built the platform, data and evidence insights, "we are in strong growth mode," Eck says.

The firm, which employs about 30 in Carlsbad and at an office in Dublin, Ireland, plans to hire 20 positions this year to bolster several technical areas, including software and app development, back-end engineering, data infrastructure, and sleep research and science, as well as more traditional corporate roles in business development, project management and marketing.

The firm has raised more than \$30 million in venture capital funding since 2019, according to Seattle-based industry tracker PitchBook.

A Simple, but Elusive Goal

SleepScore Labs is addressing incredibly complex challenges facing millions of consumers trying to attain sound sleep. Their problems run the gamut, from stress and climate control to sleeping disorders and partner disturbances. "And they require multiple interventions to truly improve their sleep. Knowing which interventions are right for each person is at the heart of solving the problem for hundreds of millions of people." Lawlor says.

Sleep deprivation causes a cascade of ill effects, from short-term memory loss and lack of alertness, to serious long-term health issues, including high blood pressure, diabetes, heart attack, stroke, obesity, depression and impaired immunity.

A year defined by the coronavirus pandemic exacerbated many of these concerns, while accelerating profound changes in consumer behavior.

"Retailers have had to evolve to survive," Eck says. "It is now more critical than ever to ensure customers can shop how, when and where they want."

SleepScore Labs' technology is a key element in Mattress Firm's mission to provide an integrated single-user customer experience that takes customers' needs solely into account, a content strategy in marketing circles that's commonly referred to as omnichannel retail.

"Our goal," Lawlor says, "is to help millions of people in America improve their sleep in the most evidence based and holistic way possible."

— By Chris Casacchia, California Business Journal

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