

MANUFACTURING AND MARKETING



JOHN LUCAS, THE JOURNAL

CEO Feizal Chatur, left and his brother (and president) Farhan Chatur on one of their mattresses at Araam Inc.

High-end mattress maker finds Queen's endorsement a solid foundation

RON CHALMERS
Journal Business Writer
EDMONTON

Araam Inc. of Edmonton is getting a big bounce from a hotel trend toward better mattresses.

Araam opened 18 months ago with an exclusive Canadian license to manufacture and distribute mattresses carrying the name of Hypnos, a supplier to the British Royal Family.

The west Edmonton factory has since grown from 20 to 60 employees, with daily production of 200 to 300 mattress sets, including foundations - and capacity to produce 1,000 sets a day.

CEO Feizal Chatur sees particular opportunities for Hypnos products, which carry the royal seal and the words "by appointment to her majesty Queen Elizabeth II (and) Queen Elizabeth the Queen Mother."

They are made from all natural components, with no foam inside, natural viscose on the outside, brass corner guards, and retail prices of \$3,500 to \$10,000 for a mattress and foundation --- queen size, of course.

"Customers love the Hypnos story and they love the beautiful materials and workmanship," says Peter Stupar, of Rogers Sleep Shop on 99th Street.

"They are priced high," Stupar says,

But he easily sells enough to continue carrying them ---- along with Araam's popular-priced, proprietary Sova line.

Chatur says he is negotiating for a major deal to supply Hypnos to a luxury hotel chain. Hotels are taking a rising share of high-end mattress sales.

At the Edmonton Westin hotel, operations manager Tim Ostrem says his chain launched "a major bedding program" four years ago to ensure that customers received the best possible sleep. The program was so well received that "nearly every other luxury and high-end hotel chain is following us with a better sleep program," Ostrem says.

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Mattresses even shipped to Toronto

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The Weston uses Simmons mattresses --- and sells them to satisfied customers.

Chatur has no plans to sell through hotels because he doesn't want to compete with his valued conventional retailers.

While expanding production in Edmonton, Chatur also hopes to start producing in Toronto.

Mattress making is mostly a local industry in large cities because of shipping costs. But Araam does ship mattresses to Toronto, because production costs are lower here than there. Also, shipping is relatively cheap, from west to east, because so many trucks carry goods from Toronto to Edmonton, then return empty ---- so Araam receives low backhaul rates.

"We're building our presence here," Chatur says. "As we build volume, we will open a factory there."

Araam does not yet supply any major furniture chains. Chatur says the family-owned firm prefers to diversify sales among many smaller retailers, rather than becoming too dependent upon any large, single customer.

rchalmers@thejournal.canwest.com