



Turn to the Experts.SM

THE MARKET

On July 17, 1902, a humble but determined engineer solved one of mankind's most elusive challenges by controlling the indoor environment. The genius of Willis Haviland Carrier gave birth to modern air conditioning and forever changed the way people live, work, and play. He enabled incredible improvements in health care, manufacturing processes, research, building capacities, food preservation, art and historical conservation, general productivity, indoor comfort, and much more — truly creating a century of possibilities.

Willis Carrier not only provided the revolutionary hardware that launched Carrier Corporation, he provided the spirit of innovation, expertise, the determination to solve problems, the drive to satisfy customers, and the hope to improve the world. One hundred years later, these same attributes resonate in the 42,000 dedicated Carrier associates who span the globe. With a worldwide network of distributors and dealers in more than 172 countries on six continents, Carrier has in excess of 200 distributors and over 20,000 dealers.



A member of United Technologies Corporation, Carrier is the world leader in air conditioning, heating, and refrigeration systems, and prides itself on being the expert in the industry. Its product line stretches from year-round home comfort systems to commercial and industrial climate-control systems to transport refrigeration systems. Just as the total impact of Carrier's technology was at first unimaginable in 1902, Carrier is striving to improve indoor comfort and refrigeration in still-unforeseen ways over the next 100 years.

ACHIEVEMENTS

As Carrier celebrated its 100th anniversary in 2002, one realizes that Willis Carrier did much more than invent air conditioning. The summer blockbuster, the back-to-school sale, even the skyscraper all owe a debt to his inspired vision. Without air conditioning, who would pack a crowded theater in July? Who would endure a



shopping spree in the dog days of August carrying heavy bags and tired kids? And who would build, let alone work in, a high-rise office building without some air conditioning?

Carrier also plays an important yet invisible role in preserving and protecting the treasures of the world. To ensure that Michelangelo's timeless frescoes would survive the test of time, the Sistine Chapel turned to the experts at Carrier. When the National Geographic Society displayed its latest find, a 500-year-old Incan mummy found frozen in the Peruvian Andes, the society could thank the experts at Carrier for controlling the climate in a custom-made 44-cubic-foot display case.

HISTORY

The year: 1902. The dilemma: The Sackett-Wilhelm printing plant in Brooklyn couldn't print a decent color image because changes in temperature and humidity kept altering paper dimensions and misaligning the colored inks. Enter Willis Carrier, who would invent the first modern mechanical air conditioner and become the father of air conditioning. Twelve



years later, Carrier took his modern marvel to the home and installed the first residential application of air conditioning in the Charles Gates mansion in Minneapolis.

Willis Carrier soon made his mark on other facets of everyday living. In 1924, J. L. Hudson's in Detroit prevented its customers from fainting in the heat by becoming the first air-conditioned department store. In the summer of 1925, people came in droves to enjoy the latest motion pictures in Los Angeles' Grauman's Theatre and New York's Rivoli Theatre. That same year, thousands flocked to New York's Madison Square Garden to take in the first indoor professional hockey game.

Carrier also initiated innovations in many other areas: ice cream machines, beverage coolers, containers for fruit shipping, refrigeration trucks, and even training environments for the National Advisory Committee for Aeronautics.

Fast forward to the 1990s when environmental concerns took center stage. Carrier again led the way. With the 1994 proclamation of a worldwide CFC phase-out, and given a full 10-year warning in most markets, Carrier would become the first manufacturer to develop home comfort products using Puron®, the chlorine-free replacement for R-22 refrigerant — six years before the next competitor. Puron was the first environmentally sound refrigerant available for homes that won't deplete the ozone layer. As other manufacturers scrambled to switch over to chlorine-free refrigerants, Carrier meticulously built a full line of reliable Puron-based products to fulfill every possible application.

With Carrier, innovations will keep coming. Carrier is dedicated to continuing to make history.

THE PRODUCT

What began as an air conditioning company has developed into the world leader in year-round comfort. The most extensive product line in the industry boasts air handling units, compressors, condensers, unitary-packaged and split-system air conditioners, transport and commercial

refrigeration equipment, room air conditioners, packaged terminal air conditioners, central station air conditioners, hermetic absorption and centrifugal water chillers, open-drive centrifugal chillers, hermetic screw chillers, reciprocating air- and water-cooled chillers, dehumidifiers, single-packaged and split-system heat pumps, electronic control systems, and air cleaners.

The applications are just as numerous. Houses and hotels. Trucks and trains. Buses and ballrooms. Reactor cores and grocery stores. From the top of the world (skyscrapers) to the bottom of the ocean (nuclear submarines), Carrier products are there.

RECENT DEVELOPMENTS

In January 2004, Carrier formalized its expertise by unveiling to over 4,000 dealers and distributors at their national sales meeting the new "Turn to the Experts" tagline and positioning. This evolution is not just a phrase that Carrier puts on its advertising. "Turn to the Experts" is an absolute commitment to being the expert in everything the company does and, most important, a promise Carrier makes to its customers: With Carrier, you get unmatched expertise.

As proof of this expertise, Carrier also introduced in 2004 the revolutionary new Infinity™ System — the smart control of the future and the unparalleled control center for all components of a customized home comfort system.

The Infinity System provides the ultimate in indoor comfort, allowing homeowners to set fan speeds, air filtration, and temperature with one convenient control — maximizing air circulation while minimizing potential drafts or hot spots. When the system runs at peak performance day in and day out, owners save on monthly utility costs.

cooling. Keeping the proper balance of moisture means greater comfort at higher temperatures in the summer and lower temperatures in the winter. Of course, more efficiency also means lower utility costs.

The Optional Remote Access Kit gives owners access from the Internet or via telephone and makes temperature adjustments and system status checks just a click or phone call away.

Additionally, Carrier is proud to offer the Infinity 96 Gas Furnace, the most efficient furnace in the world. Used in combination with the company's other high-efficiency products, the Infinity 96 Gas Furnace allows its owners to create a system that can save hundreds of dollars annually on energy bills.

Homes are being built to tougher standards, and modern, airtight designs can create indoor air-quality issues, such as mold growth and stale

air. Thankfully, Carrier is tackling those problems as well. A complete line of indoor air-quality products ensures that the air that homeowners breathe is clean and refreshing. In addition to filters, Carrier has introduced a full line of electronic air cleaners and ultraviolet lights to minimize bacterial growth and keep air clean.



INFINITY™ SERIES



PROMOTION

In 2004, Carrier made an unprecedented level of media investment in the HVAC category. This multimedia campaign included an integrated advertising mix, including network and cable television, network radio, billboards,

- The Infinity System is sophisticated enough to access, monitor, and set replacement reminders for accessories such as humidifiers and ventilators. TrueSense™ dirty filter detection provides reminders to change media filters. And when adding accessories such as humidifiers, germicidal UV lamps, or ventilators, the Infinity control prompts routine maintenance on them too.
- With IdealHumidity™, a home's humidity level is monitored and adjusted even when the home comfort system isn't actively heating or

and consumer and trade print. An industry-leading Web site, carrier.com, also keeps the Carrier name in front of consumers. Partnership marketing gives thousands of independent

businesses all over the world incentive to carry the Carrier name on storefronts, vans, and uniforms.

In 2004, Carrier launched to consumers a new integrated campaign called "Expert in the Field." The campaign uses the highly recognizable voice of Patrick Warburton (known for his roles on *Seinfeld* as David Puddy, and the voice of Kronk in *The Emperor's New Groove* among many others) as the voice of the Carrier air conditioner and furnace. In the new ad campaign, the units speak for themselves as experts in the industry.

BRAND VALUES

Any company that invents an industry immediately assumes the role of expert. What the company does thereafter determines whether it is entitled to keep that distinction. For over 100 years, Carrier expertise has made the company the first name in air conditioning and has grown to include the whole scope of indoor comfort at home, at work, and everywhere in between. From 1902, when Willis Carrier produced one unit, to today, when the company ships one unit every four seconds, Carrier has come a

long way by any measure. Willis Carrier truly created a century of possibilities — a torch passed on within the Carrier brand to ensure that the spirit of expertise will continue for the next 100 years.

THINGS YOU DIDN'T KNOW ABOUT CARRIER

- Carrier products are designed in nearly 20 key engineering centers and manufactured in 108 plants spread across six continents.
- Parent company United Technologies Corporation designs and manufactures high-technology products for the aerospace and building systems industries. UTC is known for owning brands — like Carrier — that are innovators of complete categories, including Sikorski helicopters and Otis elevators.
- In recognition of its overall contribution in World War II, Carrier Corporation was awarded the Army-Navy "E" six times, an honor attained by only 13 other companies.
- Every day around the world, a Carrier unit is installed every eight seconds.
- Carrier heating and cooling systems are trusted in more homes worldwide than any other brand.
- In 1998, Willis Carrier was named one of *Time* magazine's "100 Most Influential People of the Century."