



THE MARKET

Arguably, there has been a market for air conditioning since the beginning of humankind. People languishing as the mercury rises. Their machines requiring controlled environments to maximize productivity. Add the torment of heat accompanied by high humidity, and you have a universal customer base, craving relief. But not until Willis Carrier created an “apparatus for treating air” for a Brooklyn printer in 1902 did an industry emerge to meet the market’s needs.

A member of United Technologies Corporation, Carrier is the world leader in air conditioning, heating, and refrigeration systems. Its product line stretches from year-round home comfort systems to commercial and industrial climate-control systems to transport refrigeration systems. With markets in every corner of the world, Carrier is an integral part of our daily lives, providing comfortable living and controlled temperatures wherever people are living and wherever their machines are in use.

ACHIEVEMENTS

As Carrier celebrated 100 years of innovation in 2002, one realizes that Dr. Willis Carrier did much more than invent air conditioning. The summer blockbuster, the back-to-school sale, even the skyscraper all owe their debt to his inspired vision. Without air conditioning, who would pack a crowded theater in July? Who would endure a shopping spree carrying heavy bags and tired kids in the dog days of August? And who would build, let alone work in, a high-rise office building without a little A/C? Truly, Carrier’s innovative approach has changed the way America lives, works, and plays.

Carrier also plays an important yet invisible role in preserving and protecting the treasures of the world for future generations. When air conditioning was needed to ensure Michelangelo’s



timeless frescoes would survive the test of time, the Sistine Chapel called on Carrier. And when the National Geographic Society displayed its latest find, a 500-year-old Incan mummy frozen in the Peruvian Andes, the society could thank Carrier for controlling the climate in her 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, in 1914, Carrier took his modern marvel to the home and installed the first residential



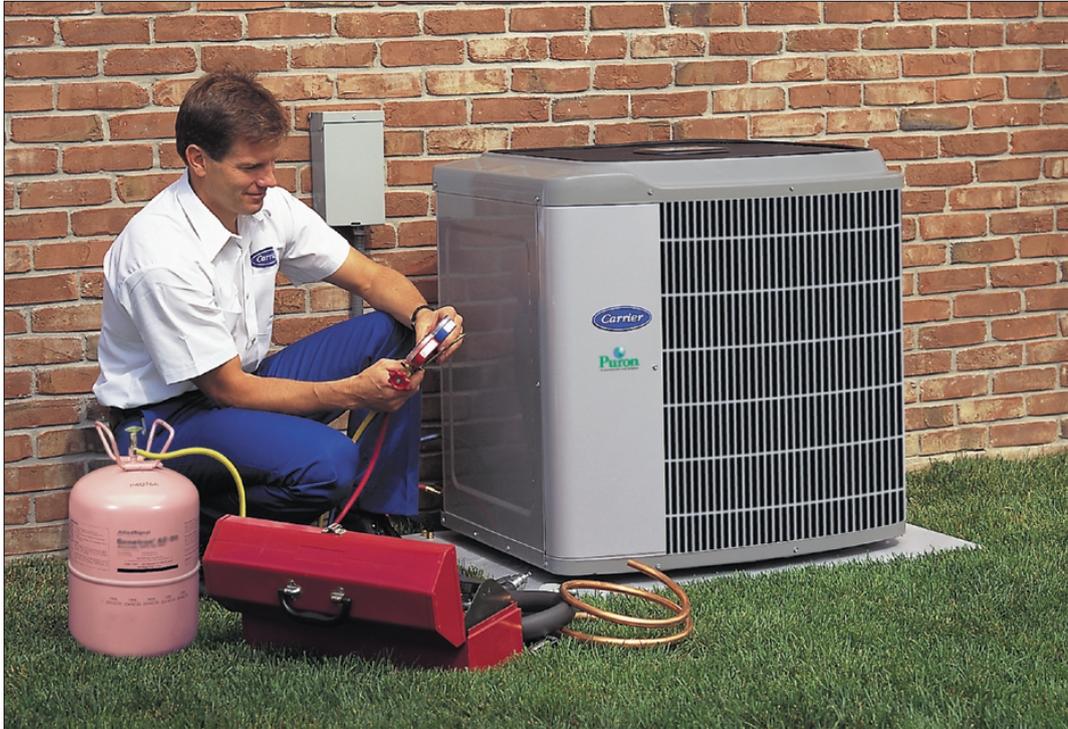
application of air conditioning in the Charles Gates mansion in Minneapolis.

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 of its basement bargain sales by becoming the first air-conditioned department store. In the summer of 1925, people came in droves to enjoy the latest motion pictures in the cool comfort of Carrier air conditioning in both Los Angeles’ Grauman’s Theater and New York’s Rivoli Theater. That same year, thousands flocked to Madison Square Garden to take in the first professional hockey game to be played indoors. The rink was refrigerated by Carrier centrifugal chillers, and spectators were rewarded with a pregame glimpse of the inventor skating along the ice. The chambers of the U.S. House of Representatives and Senate

were air conditioned by Carrier in 1928–29, so only filibustering lawmakers could be blamed for all the hot air.

Carrier also revolutionized transportation, beginning with the S.S. Victoria in 1930, the first vessel to provide air conditioning for passengers’ comfort. In 1931, the “Martha Washington” railroad dining car became the first of its kind to offer conditioned comfort, also by Carrier. The first air-conditioned public bus was cooled by Carrier and hit the streets of San Antonio in 1946. And in 1949, the Boeing Stratocruiser flew farther, higher, faster, and with more passenger comfort (thanks to Carrier air conditioning) than any airliner in the world.

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, a full ten-year warning in most markets, Carrier would become the first manufacturer to develop home comfort products using Puron® refrigerant, the chlorine-free replacement for R-22. 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.



In 2000, ComfortChoiceSM, the first “Internet” thermostat, enabled utility providers to realize peak demand savings without compromising homeowners’ comfort and controls. The 21st century has always held a promise of new discovery and innovation. And it’s no wonder Carrier continues to lead the industry at this new dawn, utilizing technology that would even leave the great Dr. Carrier in awe.

One hundred years of innovation.

A United Technologies Company

the environmentally sound refrigerant

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.

And 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

Variable-speed technology and two-speed technology give homeowners the ability to control their home comfort more effectively and more cost-efficiently with multiple-staging and fan-speed options. The Thermostat(δ?) Control, introduced in the mid-1990s, controls both temperature and humidity automatically, adding to the increased efficiencies homeowners can realize.

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 ensure that the air you breathe is clean and refreshing.

The greatest recent innovation, though, just might be the environmentally sound refrigerant, Puron. All over the world, governments are cracking down on environmental guidelines and regulations, and Carrier was the first to meet the needs of customers by staying ahead of the curve. How typically Carrier.

PROMOTION

Since the advent of modern air conditioning, Carrier has enjoyed a proud tradition of news-making promotions. The block-long lines that formed around the Rivoli Theater, where moviegoers flocked to enjoy Carrier comfort, were heavily promoted. Macy’s department store even wrote a tongue-in-cheek newspaper ad that said it wouldn’t blame shoppers for never wanting to leave the refreshingly cool conditions. Carrier’s

unique igloo attraction at the 1939 World’s Fair gave visitors a glimpse of how their futures and the future of air conditioning would commingle.

Today, the Carrier brand is recognized in 171 countries. An integrated advertising mix including television and radio, billboards, consumer and trade print, plus a comprehensive Web site, carrier.com, keeps the Carrier name in front of consumers. Partnership marketing gives independent businesses all over the world incentive to carry the Carrier name on their storefronts, vans, and uniforms. And the faithful fans of Syracuse University cheer on their Orangemen under the bright lights of the Carrier Dome. Of course, the equity built in the Carrier name and the innovative leadership that it stands for is the kind of advertising money just can’t buy.

BRAND VALUES

When you invent an industry, you assume the moniker of Innovator. What you do thereafter determines whether you are entitled to keep that distinction. For over 100 years, Carrier has been 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.

The genius of Willis Carrier gave birth to modern air conditioning and enabled incredible improvements to health care, manufacturing



processes, research, building capacities, food preservation, art and historical conservation, general productivity, home comfort, and much more. He truly created a century of possibilities. A torch that has been gladly passed on within the Carrier brand to ensure the spirit of innovation will see the next hundred 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 (NYSE: UTX).
- In recognition for 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.
- At the end of the day, Carrier keeps more people comfortable as they sleep than any other brand.
- In 1998, Willis Carrier was named one of *Time* magazine’s “100 Most Influential People of the Century.”