



Kitchen soul mates. Corporate companions.

THE MARKET

Americans love their refrigerators. In fact, the refrigerator is the most-used appliance in the house, but few people enjoyed the benefits of a refrigerator or freezer in the home until the 1920s. Most recently, the kitchen has transformed from a utilitarian, food preparation area to the living center, hearth room, and true heart of the home.

The luxury appliance market has seen a dramatic increase in sales with the ongoing trend towards “cocooning,” coupled with Americans’ desire to trade up. Kitchen remodeling comprises almost three-fourths of all home renovations. With more and more consumers wanting their dream kitchen, it is no surprise that over the past 25 years, the number of Certified Kitchen Designers has gone from just a few to well over 3,000.

As the creator of luxury built-in refrigeration, Sub-Zero has become the natural choice for all designers and upscale homeowners who desire the ultimate dream kitchen. Sub-Zero solves many design issues and provides premium performance for homeowners who demand the best in design, quality, and food preservation.

ACHIEVEMENTS

Sub-Zero is consistently the choice of industry professionals and arbiters of exceptional design. Sub-Zero’s 650G glass door refrigerator/freezer is the recipient of the 2004 American Kitchen & Bath



Award, sponsored by *Home* magazine, and a top-100 product pick in the nation in *Builder*, *Remodeling*, *Custom Home*, and *Building Products* magazines in 2002. Sub-Zero refrigerators have been ranked number one consistently in quality and as a leader in innovation for *Builder* magazine.



Sub-Zero won a GOOD DESIGN™ award in 2001 for its wine preservation unit as well.

Sub-Zero’s affiliate — Wolf Appliance Company — is a leading manufacturer of luxury cooking appliances and an award-winner in its own right. Wolf was the recipient of two prestigious 2003 GOOD DESIGN™ awards from The Chicago Athenaeum Museum of Architecture and Design — for its dual-fuel range and electric cooktop. Wolf appliances also won two Industrial Design Excellence Awards (IDEA) in the 2002 Consumer Products category: bronze for both the Dual Convection Wall Oven line and the Radiant Cooktop line. The dual-fuel line was first runner-up in *Appliance Manufacturer* magazine’s 2003/4 Excellence in Design Contest.

HISTORY

When Westye Bakke incorporated his freezer manufacturing business in 1945, he named it Sub-Zero Freezer Company, after his inspiration for the new standard in the safe freezing of food. Bakke’s freezers, unlike most, could keep food at a constant below-zero temperature.

In 1943, Westye F. Bakke built the first free-standing freezer in his Madison, Wisconsin, home, and he was able to meet the new below-zero

quality standards. A businessman with a keen ability to anticipate refrigeration trends, he founded Sub-Zero Freezer Company just two years later.

By the mid-1950s, Sub-Zero’s new upright freezers were in such demand that a new plant was built to double the manufacturing space. Meanwhile, Westye’s son Bud was developing a built-in refrigerator, which, when customized to match a kitchen’s decor, could blend in and

become virtually invisible. In summer 1972, the presidency of the company passed to Bud, but Westye continued to serve on the board until his death in 1974. The appointment of Homer Price as president instigated ambitious sales targets and a new, unlimited warranty — the best in the industry — to guarantee customer satisfaction. In the 1980s, Sub-Zero

expanded into a new plant in Phoenix, and Jim Bakke, Westye’s grandson, took over as president and CEO.

The year 1995 ushered in a new era of Sub-Zero innovation with the introduction of a revolutionary concept in refrigeration: an integrated system, which provided the consumer with a choice of components, while 1998 saw the introduction of premium wine storage systems.



A new century finds Sub-Zero stronger than ever, with roots still in Madison and products sold internationally. The acquisition of the Wolf Gourmet name in 2000 led to the birth of a brand-new cooking company: Wolf Appliance Company. In order to support this new brand of cooking appliances, Jim Bakke built a state-of-the-art manufacturing complex in the outskirts of Madison. Together, Sub-Zero and Wolf provide an unsurpassed range of award-winning, highly desirable appliances, offering superior performance and leading-edge design.

THE PRODUCT

Since its founding, quality has remained Sub-Zero's core focus. Over time, Sub-Zero brought to market a comprehensive line of built-in models, including under-counter refrigeration and ice makers, over/under and side-by-side refrigerator/freezers, fully integrated models, and most recently, the "connoisseur's favorite" wine storage units. Unique to Sub-Zero and indicative of the company's innovative engineering is its dual refrigeration system: two separate, self-contained cooling systems to keep fresh food fresher and preserve frozen food longer. Because separate compressors maintain optimum conditions in both the refrigerator and freezer, no air, moisture, or aroma passes between them.

All Sub-Zero products are built by hand. They are also remarkably energy-efficient, using less energy than a 100-watt lightbulb.

Wolf's full array of cooking products, from ovens to ranges, and cooktops to grills, complement Sub-Zero's state-of-the-art products. At-home chefs can cook with confidence knowing that Wolf's technology and features control all the details, ensuring the flakiest crust and juiciest steaks. Wolf cooking instruments combine exceptional technology and precise control with remarkable ease of use, helping create better meals and fueling a passion for cooking.

RECENT DEVELOPMENTS

In the corporate environment, a precious few, family-owned, independent companies have been able to remain market leaders while still continuing to innovate. Sub-Zero is an outstanding example of one such company.

- Sub-Zero's fully integrated 700 Series provides



the unique opportunity to have refrigeration wherever wanted: by the kitchen sink, in the workout room, or in the master bedroom by using a sophisticated drawer system. Most recently, the tall model is now available at a wider 36 inches.

- Wolf recently launched a product with the best of both worlds: the dual-fuel range. On the top-side, gas cooking in all its glory, with fine control of dual-stacked burners and options that include the remarkable French Top. Below, the Wolf dual-convection electric oven provides eight cooking options and allows for even temperature and airflow for more consistent and faster results.
- The Westye F. Bakke Center opened in summer 2004, thanks to several nationally renowned



designers who came together to build a truly innovative structure where training and education can be lifted to its highest level. The state-of-the-art complex is a 32,000-square-foot masterpiece, designed to educate and excite while bringing the two brands alive. It is truly a testament to the vision and commitment of the Bakke family and Sub-Zero/Wolf.

PROMOTION

Every dream kitchen deserves both a Sub-Zero and a Wolf. Since its inception in 1993, the Sub-Zero/Wolf Kitchen Design Contest has become the coveted prize in the professional home design category. Held every two years, the contest recognizes designers, architects, and builders for advancing outstanding kitchen design. Winners of the contest are featured in the beautifully produced Great American Kitchens, now in its third volume.

The Sub-Zero Web site offers the consumer an interactive branded experience, complete with recipes, design inspiration, and information about promotional events and cooking classes around the country at exclusive distributor showrooms. Browsing the site is such an enjoyable experience that the Web Marketing Association made it the recipient of an Internet Advertising Competition Award in 2003.

Summer 2004 brought the launch of a print campaign juxtaposing arresting visuals to convey the benefits of dual refrigeration. The message is aimed squarely at health-conscious families who want to enjoy food as it should be. In spring 2004, the Wolf Appliance Company's inaugural campaign was awarded an EFFIE for its effectiveness for launching the brand.



BRAND VALUES

What makes a Sub-Zero a Sub-Zero? Simply put, Sub-Zero brings together a unique combination of innovative thinking, family tradition, food preservation technology, exceptional durability, and versatile design. Designed and built in the United States, all Sub-Zero units are tested to the nth degree before leaving the factory. The Sub-Zero brand translates to a product built to last with fine craftsmanship — even down to the satisfying "whump" of the door, signifying a seal as tight as a safe's.

Sub-Zero is the only refrigeration company to offer dual refrigeration, with precise independent control of the refrigerator and freezer compartments. Sub-Zero's distinctive, oval-shaped logo is a badge of quality, as are the famous red knobs on the Wolf ranges, rangetops, and grills, signifying nothing less than professional grade, designed to make creating amazing meals easier. Homeowners who refuse to compromise on style, convenience, and efficiency choose Sub-Zero and Wolf, because every detail delivers a reassurance of the best.

THINGS YOU DIDN'T KNOW ABOUT SUB-ZERO

- The automatic ice produced by Sub-Zero refrigerators is ergonomically designed in a crescent shape that won't stick to the side of a glass.
- During the Depression, Westye Bakke worked as a refrigeration consultant for Frank Lloyd Wright. He created specially designed refrigeration units that would fit into the unique Wright-designed homes. Sites included the Johnson Wax Building in Racine, Wisconsin, and Wingspread, the Johnsons' nearby private home.
- Westye Bakke undertook assignments from Clarence Birdseye to perfect techniques of quick-freezing that would better preserve the flavor and texture of vegetables and produce.
- Wolf's French Top, available as a feature on the dual-fuel range and Pro Series gas range and rangetops, weighs approximately 50 pounds with a total cooking area of 448 square inches. This innovative (and sizeable) design makes it possible to use several pans at once for a variety of cooking tasks from melting chocolate to searing meat.