

For immediate release Contact: David Callender, 608.210.6706 david.callender@wedc.org

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Sub-Zero Group Inc. expands operations in Fitchburg

New expansion will create 100 jobs, \$70 million capital investment

MADISON, WI. July 2, 2019 – Sub-Zero Group Inc., the industry leader in premium refrigeration, cooking and dishwashing appliances, is expanding its operations in Fitchburg with a new 350,000-square-foot research and development facility—a \$70 million project expected to create 100 jobs over the next three years.

"Sub-Zero appliances, as well as the company's Wolf and Cove brands, have been a fixture in homes in Wisconsin and around the world for generations, and I thank the company for continuing to invest and grow in our state," said Mark R. Hogan, secretary and CEO of the Wisconsin Economic Development Corporation (WEDC), the state's lead economic development organization. "This investment will allow Sub-Zero to position itself for continued growth and success, and at the same time, create family-supporting jobs in the Madison area."

Founded in 1945, the third-generation, family-owned company is headquartered in Madison and currently operates manufacturing facilities in Fitchburg and Goodyear, Arizona. The new facility will serve as a research and development center that will drive innovation for next-generation products.

"We are proud to call Wisconsin home for nearly seventy-five years, and look forward to bringing new investment, jobs and impact to the local community," said Brian Jones, senior director of marketing for Sub-Zero. "The Fitchburg expansion is a perfect example of the astounding growth and opportunity that are possible when a company and a community work together."

WEDC is supporting the project by authorizing up to \$1 million in state income tax credits over the next four years. The actual amount of tax credits Sub-Zero will receive is contingent upon the number of jobs created and the amount of capital investment during that period.

In addition to the 100 jobs expected to be created by the company, an economic modeling study estimates the project could indirectly generate 122 additional jobs in the region. Those 222 new jobs are expected to generate \$2.8 million in state income tax revenue over a five-year period.

"The City of Fitchburg is grateful that Sub-Zero Group Inc. has again chosen to invest in our community with the construction of this latest project, its research and development facility," said Fitchburg Mayor Aaron Richardson. "The city and Sub-Zero's private/public partnership goes back over 20 years, and we continue to grow and strengthen our relationship. Not only is

Sub-Zero a great corporate partner—they invest in Fitchburg each and every day as one of the city's largest employers. Thank you to WEDC and Sub-Zero Group Inc. for its commitment and investments in the City of Fitchburg."

"Facilities like Sub-Zero are key to the industrial diversity of the Madison Region, creating a stronger and more sustainable economy," added Paul Jadin, president of the Madison Regional Economic Partnership (MadREP). "It's wonderful to see so many organizations in our region choosing to grow in place."

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About the Wisconsin Economic Development Corporation

The Wisconsin Economic Development Corporation (WEDC) leads economic development efforts for the state by advancing and maximizing opportunities in Wisconsin for businesses, communities and people to thrive in a globally competitive environment. Working with more than 600 regional and local partners, WEDC develops and delivers solutions representative of a highly responsive and coordinated economic development network. Visit wedc.org or follow WEDC on Twitter @WEDCNews to learn more.

About Sub-Zero Group Inc.

Sub-Zero Group Inc., headquartered in Madison, Wisconsin, manufactures best-in-class appliance brands Sub-Zero, Wolf and Cove. Founded in 1945, Sub-Zero Inc. is the leading U.S.-based manufacturer of refrigeration, freezer and wine storage products. Sub-Zero, the preservation specialist, pioneered the concept of dual refrigeration, ensuring that food stays fresher longer. With the acquisition of Wolf Range Company in 2000, Sub-Zero Group Inc. added the industry specialist in residential cooking appliances, with products including ranges, cooktops, wall ovens, warming drawers and ventilation equipment.

In 2018, Sub-Zero Group Inc. launched the Cove brand of dishwashers, the specialist in all things clean. Cove joins Sub-Zero and Wolf, establishing the brands as corporate companions and a complete kitchen family. In its third generation of family ownership, the privately held company also operates manufacturing facilities in Fitchburg, Wisconsin, and Goodyear, Arizona. Sub-Zero Group Inc. is continually recognized for the highest achievements in appliance innovation and customer satisfaction. For more information about Sub-Zero, Wolf and Cove, visit subzerowolf.com.