

THE 100 TOP BRANDS

Our first ranking of the world's most valuable brands

The table that follows ranks 100 global brands that have a value greater than \$1 billion. The brands were selected according to two criteria. They had to be global in nature, deriving 20% or more of sales from outside their home country. There also had to be publicly available marketing and financial data on which to base the valuation. That excluded some big

opinion polls or ad expenditures. *BusinessWeek* selected Interbrand's method because it values brands the same way analysts value other assets: on the basis of how much they're likely to earn going forward. Those future earnings are then discounted to a present value based on how risky the earnings are, that is, the likelihood that they will actually materialize.

To start the process, Interbrand first figures out what percentage of overall revenues the brand accounts for. Next, with the help of analysts from Citigroup, Interbrand projects the net earnings for that segment of the business. Interbrand then deducts a charge for the cost of owning the tangible assets, on the theory that whatever income is generated beyond that cost is due to intangible factors. This is the economic value added by such intangibles as patents, customer lists, and of course the brand.

The next step is to winnow the earnings generated by the brand from the earnings generated by other intangibles. For example, are people buying Shell gas because of the brand name or because the gas station is conveniently located? Interbrand uses market research and interviews with industry executives to sift through those variables.

The third and final phase is to analyze the strength of the brand in order to figure out how risky those future brand earnings are. To calculate the brand strength, Interbrand looks at seven factors, including the brand's market leadership, its stability, and its ability to cross geographical and cultural borders. The risk analysis produces a discount rate which is applied to the brand earnings to come up with a net present value of the brand. *BusinessWeek* and Interbrand believe that this figure comes closest to representing the true economic value of that complex array of forces that make up a brand.

Special Report



brands, such as Visa, BBC, Mars, and CNN. The table of individual brands is followed by a table of leading brand portfolios, since some companies create significant brand value by managing a group of brands. Procter & Gamble, for example owns Pampers, Crest, and Tide.

There are many ways to rank brands. Some rankings rely on little more than

The Global Brand Scoreboard

RANK		2001 BRAND VALUE \$BILLIONS	2000 BRAND VALUE \$BILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
1	COCA-COLA	68.95	72.54	-5	U.S.	Coke is still No. 1, but can it hang onto the top spot?
2	MICROSOFT	65.07	70.20	-7	U.S.	Microsoft is unleashing its biggest product wave ever, topped by Windows XP.
3	IBM	52.75	53.18	-1	U.S.	Despite the tech slump, Big Blue's beefy marketing budget is keeping the company front and center.
4	GE	42.40	38.13	11	U.S.	The Teflon brand? Not even Jack Welch's announced exit could dent the value.
5	NOKIA	35.04	38.53	-9	Finland	The company that gave phones panache wants to do the same for other mobile gadgets.
6	INTEL	34.67	39.05	-11	U.S.	"Intel Inside" ads lifted the chipmaker to the top, but slumping PC sales and price wars make it a struggle to stay there.
7	DISNEY	32.59	33.55	-3	U.S.	Despite new theme parks, Mickey struggles to rise above mediocre movies, bad stores, and fresh competition.
8	FORD	30.09	36.37	-17	U.S.	The Firestone fiasco and other quality gaffes hit the No. 2 carmaker.
9	McDONALD'S	25.29	27.86	-9	U.S.	Europe's meat hysteria takes a bite out of Big Mac. Non-vegetarian fries didn't help, either.
10	AT&T	22.83	25.55	-11	U.S.	AT&T has the most powerful brand in telecom, but it's losing market share.

Data: Interbrand, *BusinessWeek*

RANK		2001 BRAND VALUE \$BILLIONS	2000 BRAND VALUE \$BILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
11	MARLBORO	22.05	22.11	0	U.S.	Outsells all of R.J. Reynolds' major brands combined. Who needs ads anyway?
12	MERCEDES	21.73	21.11	3	Germany	Owns the market for luxury sedans, but moving downmarket is proving troublesome.
13	CITIBANK	19.01	18.81	1	U.S.	World's biggest bank: The sun never sets on Sandy Weill's ever-expanding empire.
14	TOYOTA	18.58	18.82	-1	Japan	Look out, Detroit—this maker of trusty sedans is revving up new SUVs and pickup trucks.
15	HEWLETT-PACKARD	17.98	20.57	-13	U.S.	HP needs to improve its performance—and branding—in high-end corporate computing.
16	CISCO SYSTEMS	17.21	20.07	-14	U.S.	Suddenly, "empowering the Internet generation" doesn't mean 60% sales-growth rates.
17	AMERICAN EXPRESS	16.92	16.12	5	U.S.	In play? Amex's rivals covet the card so much, they may try to buy the whole company.
18	GILLETTE	15.30	17.36	-12	U.S.	New CEO looking for next big thing; old formula of high-priced innovation doesn't cut it anymore.
19	MERRILL LYNCH	15.02	NA	NA	U.S.	Never mind the down markets: Being the largest retail brokerage keeps Main Street in love with the bull.
20	SONY	15.01	16.41	-9	Japan	The best-known brand in consumer electronics, Sony is still the name to beat.
21	HONDA	14.64	15.25	-4	Japan	Hits like the Odyssey minivan make it big in the U.S. and Japan, but it's caught in a rut in Europe.
22	BMW	13.86	12.97	7	Germany	Thriving after cutting Rover unit loose. The lesson: Stick to what you do best.
23	NESCAFE	13.25	13.68	-3	Switzerland	In some countries, the name has become synonymous with instant coffee.
24	COMPAQ	12.35	14.60	-15	U.S.	Handing the PC crown to Dell was hard. Remaking itself in IBM's image may prove even harder.
25	ORACLE	12.22	NA	NA	U.S.	This Internet bellwether sank when the bubble burst, but long term, its prospects are rock-solid.
26	BUDWEISER	10.84	10.69	1	U.S.	Relentless and innovative marketing keeps consumers saying "Whassup?" to the world's largest brewer.
27	KODAK	10.80	11.82	-9	U.S.	A weaker economy means fewer snapshots, and digital imaging isn't picking up the slack fast enough.
28	MERCK	9.67	NA	NA	U.S.	A top-flight research and development operation continues to produce breakthrough drugs.
29	NINTENDO	9.46	NA	NA	Japan	Nintendo is preparing to battle Sony and Microsoft with new game console this fall.
30	PFIZER	8.95	NA	NA	U.S.	Its marketing operation is the best in the business. Plus it has a roster of blockbuster products.
31	GAP	8.75	9.32	-6	U.S.	Once the king of khakis, it's still struggling to find the next fashion winners.
32	DELL	8.27	9.48	-13	U.S.	Slashing prices and costs has made Michael Dell king of computers, but he needs to move his company beyond the box.
33	GOLDMAN SACHS	7.86	NA	NA	U.S.	The Goldman mystique still reigns: No. 1 in global IPOs and No. 1 in M&A.
34	NIKE	7.59	8.02	-5	U.S.	Athletic gear giant takes a beating from labor activists but kicks competition with pull-on sneakers.
35	VOLKSWAGEN	7.34	7.83	-6	Germany	Still the People's Car, its engineering excellence makes it Europe's best-seller.
36	ERICSSON	7.07	7.81	-9	Sweden	Swedes are counting on a Sony joint venture to prop up struggling brand.
37	HEINZ	7.06	NA	NA	U.S.	The famously slow-pouring ketchup still rules. Now it comes in green, too.
38	LOUIS VUITTON	7.05	6.89	2	France	For those who like their status symbols in leather, these are the handbags and luggage of choice.
39	KELLOGG'S	7.01	7.36	-5	U.S.	Its breakfast cereals are losing their snap, crackle, and pop, but new Keebler snack unit should help boost growth.
40	MTV	6.60	6.41	3	U.S.	The original music network is still tops with the teen crowd.
41	CANON	6.58	NA	NA	Japan	Not just a camera-maker anymore, Canon is big in digital copiers and desktop printers, too.
42	SAMSUNG	6.37	5.22	22	S. Korea	Seeking to move upmarket, Samsung ditched Wal-Mart for Best Buy, Circuit City, and CompUSA.
43	SAP	6.31	6.14	3	Germany	It's now a top-tier software supplier for companies seeking to turn themselves into e-businesses.
44	PEPSI	6.21	6.636	-6	U.S.	Pepsi's making headway in the cola wars in the U.S., but still lags well behind Coke overseas.

Data: Interbrand, *BusinessWeek*

RANK		2001 BRAND VALUE \$BILLIONS	2000 BRAND VALUE \$BILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
45	XEROX	6.02	9.70	-38	U.S.	Competitive stumbles, questionable accounting, management turmoil: What didn't go wrong?
46	IKEA	6.01	6.03	0	Sweden	Its growth is proving that cheap chic is an international movement.
47	PIZZA HUT	5.98	NA	NA	U.S.	After scoring with Big New Yorker and Stuffed Crust, Tricon unit looks for next hits to get same-store sales growing again.
48	HARLEY-DAVIDSON	5.53	NA	NA	U.S.	The leader of the pack powers down the highway. Now it needs to get younger riders to climb aboard.
49	APPLE	5.46	6.59	-17	U.S.	Apple continues to churn out eye-pleasing products but struggles to find takers beyond the core Mac faithful.
50	GUCCI	5.36	5.15	4	Italy	Glamorous clothes with just enough edge to keep fashionistas hooked.
51	KFC	5.26	NA	NA	U.S.	King of fried chicken takes risky branding tack by teaming up with ailing sister Taco Bell at some locations.
52	REUTERS	5.24	4.88	7	Britain	On the eve of its 150th anniversary, the British news service has new leadership, partnerships, and a consumer push.
53	SUN MICROSYSTEMS	5.15	NA	NA	U.S.	While the server maker soared during the Net bubble, being "the dot in dot-com" isn't what it used to be.
54	KLEENEX	5.09	5.14	-1	U.S.	Facial-tissue inventor moves beyond mere sniffles to menthol, three-ply, and other deluxe versions.
55	PHILIPS	4.90	5.48	-11	Netherlands	Stellar consumer brand in Europe, but lags in U.S., where it's often confused with producer of stomach medicine.
56	COLGATE	4.57	4.42	3	U.S.	Total toothpaste helps this oral-care brand extract market share.
57	WRIGLEY'S	4.53	4.32	5	U.S.	Who hasn't chewed through a pack? Now there's Wrigley's antacid gum and breath mints, too.
58	AOL	4.50	4.53	-1	U.S.	Makes money, and partnerships with new AOL Time Warner sibling brands could spur next growth spurt.
59	YAHOO!	4.38	6.30	-31	U.S.	With its marketing dollars getting tighter, this online giant's brand may have seen its best days.
60	AVON	4.37	NA	NA	U.S.	The Avon Lady wants to sell more than just makeup, and not just door-to-door.
61	CHANEL	4.27	4.14	3	France	The classic styles of founder Coco Chanel have been discreetly updated—her trademark pearls haven't.
62	DURACELL	4.14	5.89	-30	U.S.	It scored with its premium-priced Duracell Ultra, but got eaten alive in the mass market.
63	BOEING	4.06	NA	NA	U.S.	A branding effort—and headquarters shift—aims to create broader image for aerospace behemoth.
64	TEXAS INSTRUMENTS	4.04	NA	NA	U.S.	TI chips power 60% of the world's cell phones, but Intel wants inside wireless devices of the future.
65	KRAFT	4.03	NA	NA	U.S.	Managed to make even processed cheese more convenient to eat.
66	MOTOROLA	3.76	4.45	-15	U.S.	Cumbersome, pricey phones didn't click with consumers. Now it's playing catch-up.
67	LEVI'S	3.75	NA	NA	U.S.	Once an icon of individuality and youthful rebellion, these jeans are now as tame as bobby socks and saddle shoes.
68	TIME	3.72	NA	NA	U.S.	Will new corporate parent AOL give the venerable weekly a boost?
69	ROLEX	3.70	3.56	4	Switzerland	The watches are known for their precision under stress. No wonder so many executives wear them.
70	ADIDAS	3.65	3.79	-4	Germany	It still has some street appeal, but the spring and summer apparel collections were a bust in the U.S.
71	HERTZ	3.62	3.44	5	U.S.	A strong travel market put Hertz in the fast lane last year, though traffic has slowed lately.
72	PANASONIC	3.49	3.73	-7	Japan	While Sony and Samsung go upscale with electronics, Panasonic increasingly competes with low-priced Chinese models.
73	TIFFANY	3.48	NA	NA	U.S.	The jeweler has such a powerful aura that even the trademark robins-egg-blue boxes are status symbols.
74	BP	3.25	3.07	6	Britain	CEO John Browne's flurry of acquisitions has made once-stodgy BP into a top oil brand.
75	BACARDI	3.20	3.19	1	Bermuda	Trademark battle hasn't stopped this rum giant from selling more than 20 million cases a year.
76	AMAZON.COM	3.13	4.53	-31	U.S.	The biggest challenge: convincing book and CD customers it's also the place to buy grills and cameras.
77	SHELL	2.84	2.79	2	Britain	Makes gains in cleaning up an image tarnished by environmental problems and mediocre performance.

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78	SMIRNOFF	2.59	2.44	6	Britain	Extensions like Smirnoff Ice give new life to an aging brand.
79	MOET & CHANDON	2.47	2.80	-12	France	Still bubbly, but the French champagne maker shows signs of a post-millennial hangover.
80	BURGER KING	2.47	2.70	-10	U.S.	Unhappy franchisees and a french fry snafu take their toll on this troubled brand.
81	MOBIL	2.42	NA	NA	U.S.	1999 merger with the Exxon tiger has made the brand stronger than ever.
82	HEINEKEN	2.266	2.22	2	Netherlands	Even price hikes have failed to dampen enthusiasm for the most global beer brand.
83	WALL STREET JOURNAL	2.18	2.19	0	U.S.	A tough economic environment and dull year for the Dow doesn't help this investor's bible.
84	BARBIE	2.04	2.32	-12	U.S.	Mattel's famous doll is hoping forays into movies will give her new life.
85	POLO/RALPH LAUREN	1.91	1.83	4	U.S.	The ultimate aspirational brand: You can buy everything from Polo ties to towels now.
86	FEDEX	1.89	NA	NA	U.S.	Can the pioneer of overnight delivery deliver a weighty counterpunch to UPS' competitive threat?
87	NIVEA	1.78	NA	NA	Germany	Owner Beiersdorf gives the 90-year-old cream a new wrinkle with products for men.
88	STARBUCKS	1.76	1.33	32	U.S.	Shows the biggest jump in brand value as it keeps expanding its coffee empire into every nook and cranny.
89	JOHNNIE WALKER	1.65	1.54	7	Britain	Winning new, more youthful drinkers, the Scotch king has a new "Keep Walking" campaign to create more buzz.
90	JACK DANIELS	1.58	1.48	7	U.S.	Flamboyantly down-home, antimarketing approach endears the Tennessee sippin' whiskey to an expanding band of loyalists.
91	ARMANI	1.49	1.46	2	Italy	The minimalist of the fashion world—for those who don't want to wear their money on their sleeves.
92	PAMPERS	1.41	1.40	1	U.S.	Procter & Gamble's diaper line moves into disposable bibs to boost its bottom line.
93	ABSOLUT	1.38	NA	NA	Sweden	So recognized that even the bottle shape has become part of the brand.
94	GUINNESS	1.36	1.23	11	Ireland	At the ripe age of 242, this Irish brew sells more than 10 million pints worldwide each day.
95	FINANCIAL TIMES	1.31	1.15	14	Britain	Britain's business newspaper benefits from a push to win U.S. readers.
96	HILTON	1.24	1.48	-17	U.S.	Still the top name in lodging, but travelers are starting to check out other brands.
97	CARLSBERG	1.08	NA	NA	Denmark	Growing global investments help this Danish brewer raise its profile in new markets.
98	SIEMENS	1.03	NA	NA	Germany	To build the brand, German giant needs to market cell phones in costly American market.
99	SWATCH	1.00	NA	NA	Switzerland	Low prices and quirky, offbeat designs make it the Swiss anti-Rolux.
100	BENETTON	1.00	1.01	-1	Italy	Made a name for itself with controversial ads that promote tolerance.

Data: Interbrand, *BusinessWeek*

The valuations of the brands draw upon publicly available information. Interbrand has not made its own independent investigation or research into the accuracy or completeness of the information. The valuations do not represent advice from Interbrand with respect to the suitability of the sale, licensing, or franchising or any commercial exploitation of the brands in any respect, or for the purpose of investment, in the companies in question. Nothing contained in the valuations should be relied upon as a promise or representation as to the future prospects of the brands or companies. Interbrand accepts no representations and warranties with respect to the valuations.

The Top Brand Portfolios

COMPANY	2001 BRAND BILLIONS	2000 BRAND BILLIONS	PERCENT CHANGE	COUNTRY
1 JOHNSON & JOHNSON	\$68,208	NA	NA	U.S.
2 P&G	45,435	\$48,352	-6	U.S.
3 NESTLE	41,688	40,250	4	Switzerland
4 UNILEVER	37,847	37,100	2	Britain
5 L'OREAL	17,798	NA	NA	France
6 DIAGEO	15,004	14,557	3	Britain
7 COLGATE-PALMOLIVE	14,361	13,636	5	U.S.
8 DANONE	13,583	NA	NA	France

Data: Interbrand, *BusinessWeek*